



**PRISMO METALS INC.**  
Suite 1100 – 1111 Melville Street  
Vancouver, BC, V6E 3V6, CANADA  
Telephone: (+1) 604-925-2839

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

**TAKE NOTICE** that the annual general and special meeting (the “**Meeting**”) of shareholders of **PRISMO METALS INC.** (the “**Corporation**”) will be held on Thursday, October 2, 2025 at 10:00 a.m. (Vancouver time), solely by means of remote communication, rather than in person, for the following purposes:

1. to receive and consider the financial statements of the Corporation for the financial year ended December 31, 2024 and the auditors’ report thereon;
2. to set the number of directors at four (4) and elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors for the ensuing year and authorize the directors to fix their remuneration;
4. to consider and, if thought advisable, pass a special resolution authorizing and approving the continuance of the Corporation out of the federal jurisdiction of Canada under the *Canada Business Corporations Act* into the provincial jurisdiction of British Columbia under the *Business Corporations Act* (British Columbia), under the new name "AZ Exploration Inc." or such other name as may be determined by the board of directors of the Corporation, subject to applicable regulatory approval, as more fully described in the accompanying management information circular (the “**Circular**”);
5. to consider and, if thought advisable, pass an ordinary resolution approving a new “rolling up to 20%” long-term incentive plan, as more fully described in the Circular; and
6. to transact such other business as may properly come before the Meeting or any adjournment thereof.

We are inviting shareholders to attend the Meeting via Microsoft Teams videoconference. To participate in the Meeting, please visit [www.microsoft.com/microsoft-teams/join-a-meeting](https://www.microsoft.com/microsoft-teams/join-a-meeting) and enter the following meeting ID and passcode:

Meeting ID: **211 288 266 541 4**  
Meeting Passcode: **ga2eW3MT**

A management information circular (the “**Circular**” accompanies this Notice. The Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however, any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

Copies of the consolidated financial statements, report of the auditor and related management's discussion and analysis for the year ended December 31, 2024 are available under the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). Please see "*Additional Documentation*" on page 20 of the Circular for information on how to view the financial documents.

**Holders of shares may exercise their rights by attending the Meeting or by completing a proxy form prior to 10:00 a.m. (Vancouver time) on September 29, 2025. Please vote your shares prior to the proxy deadline using one of the following options:**

- 1. Online at [www.voteproxy.ca](http://www.voteproxy.ca) and by registering using your control number provided above;**
- 2. By fax by sending your voting instructions to 416-360-7812; or**
- 3. By emailing [info@marrellitrust.ca](mailto:info@marrellitrust.ca); or**
- 4. By returning the completed proxy form via letter mail to Marrelli Trust Company Limited, c/o Marrelli Transfer Services Corp. 82 Richmond Street East, 2nd Fl., Toronto, Ontario M5C 1P1.**

**DATED** at Vancouver, British Columbia, the 18<sup>th</sup> of August, 2025.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*Alain Lambert*"

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Alain Lambert  
CEO and Director



## **PRISMO METALS INC.**

Suite 1100 – 1111 Melville Street  
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Telephone: (+1) 604-925-2839

### **MANAGEMENT PROXY CIRCULAR**

as at August 18, 2025 *(except as otherwise indicated)*

**This Management Proxy Circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Prismo Metals Inc. (the “Corporation”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held solely by means of remote communication on October 2, 2025 at the time and for the purposes set forth in the accompanying Notice of the Meeting.**

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

### **GENERAL PROXY INFORMATION**

#### **Solicitation of Proxies**

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

#### **Appointment of Proxyholders**

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

## **Voting by Proxyholder**

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

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

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

## **Registered Shareholders**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting by means of remote communication. Registered Shareholders electing to submit a proxy may do so using one of the following ways:

- (a) Online at [www.voteproxy.ca](http://www.voteproxy.ca) and by registering using your control number provided above; or
- (b) By fax by sending your voting instructions to 416-360-7812; or
- (c) By emailing [info@marrellitrust.ca](mailto:info@marrellitrust.ca); or
- (d) By returning the completed proxy form via letter mail to Marrelli Trust Company Limited, c/o Marrelli Transfer Services Corp., 82 Richmond Street East, 2nd Fl., Toronto, Ontario M5C 1P1.

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

## **Beneficial Shareholders**

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

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

nominee for The Depository Trust & Clearance Corporation (which acts as depository for many U.S. brokerage firms and custodian banks).

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

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners (“**OBOs**”) object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners (“**NOBOs**”) who do not object to the issuers of the securities they own knowing who they are.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) the Corporation distributes copies of the Notice of Meeting, this Circular and the form of Proxy (collectively, the “**Meeting materials**”) to the Depository and Intermediaries for onward distribution to Beneficial Shareholders. The Corporation does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

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

***If you are a Beneficial Shareholder:***

If you are a Beneficial Shareholder you should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

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

**Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized,

and by delivering the proxy bearing a later date to Marrelli Trust Company Limited at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. Alternatively, a registered shareholder who has given a proxy may revoke it by personally attending the Meeting and voting the registered shareholder's Common Shares.

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

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

No director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

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

The board of directors (the “**Board**”) of the Corporation has fixed August 18, 2025 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting, except to the extent that:

- (a) the shareholder has transferred the ownership of any such share after the record date, and
- (b) the transferee produces a properly endorsed share certificate for or otherwise establishes ownership of any of the transferred Shares and makes a demand to Marrelli Trust Company Limited no later than 10 days before the Meeting that the transferee's name be included in the list of shareholders in respect thereof.

The Common Shares of the Corporation are listed on the Canadian Securities Exchange (the “**CSE**”). As of the Record Date there were 88,647,686 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Corporation, there are no persons that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares as at the Record Date.

### **FINANCIAL STATEMENTS**

The Corporation's annual consolidated financial statements for the financial year ended December 31, 2024 and the external auditors' report thereon will be presented to the Meeting but will not be subject to a vote. The Corporation's financial statements and management's discussion and analysis for the financial year ended December 31, 2024 are available under the Corporation's profile on the SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)).

## ELECTION OF DIRECTORS

The articles of the Corporation provide that the number of directors of the Corporation will be a minimum of three and a maximum of ten. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Canada Business Corporations Act* (CBCA), each director elected will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected.

The Board has set the number of directors to be elected at the Meeting at four (4). The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds (within the last five years for each new director nominee), each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Corporation and the number of Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

<b>Name, Position with Corporation and Municipality of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Corporation</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
Alain Lambert <sup>(4)</sup> Chief Executive Officer and Director <i>Vancouver, BC, Canada</i>	Consultant to private and public companies on capital markets, M&A and financing.	June 20, 2023	3,170,500 <sup>(2)</sup>
Peter Craig Gibson Chief Exploration Officer and Director <i>Hermosillo, Mexico</i>	President and Chief Executive Officer of the Corporation. Technical director of Prospección y Desarrollo Minero del Norte, S.A. de C.V. Certified Professional Geologist.	October 17, 2018	4,454,941 <sup>(3)</sup>
Louis Doyle <sup>(4)</sup> Director <i>Kirkland, Québec, Canada</i>	Consultant and Corporate Director.	June 27, 2022	150,000
Martin Dupuis <sup>(4)</sup> Director <i>North Vancouver, BC, Canada</i>	Independent Consultant. Former COO of Vizsla Silver Corp.	June 20, 2023	150,000

**Notes:**

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Alain Lambert holds 1,197,000 Common Shares directly, 1,250,000 Common Shares indirectly through Conseil Finalé Inc., a company controlled by him, and 723,500 Common Shares indirectly through La Société de Placements Grand Tour Inc., a company controlled by him.
- (3) Dr. Gibson holds 842,000 Common Shares directly and 3,612,941 Common Shares indirectly through Prospeccion y Desarrollo Minero del Norte, a company controlled by him.
- (4) Member of the Corporation's audit committee.

The Corporation has not received notice of a nomination in compliance with its By-Laws and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Corporation will be disregarded at the Meeting.

## **Bankruptcies, Orders and Management Cease Trade Orders**

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

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Louis Doyle was a director of Lumiera Health Inc. (“**Lumiera**”) until the date of his resignation on July 18, 2025. On April 13, 2023, the Autorité des marchés financiers (the “**AMF**”) and the Ontario Securities Commission (the “**OSC**”) issued a failure-to-file cease trade order (the “**Initial CTO**”) against Lumiera for failing to file its annual financial statements, accompanying management’s discussion and analysis, and related certifications for the financial year ended November 30, 2022, within the period prescribed for such filings. The Initial CTO was revoked on August 4, 2023. On April 8, 2024, the AMG issued a failure-to-file cease trade order (the “**Subsequent CTO**”) against Lumiera for failing to file its annual financial statements, accompanying management’s discussion and analysis, and related certifications for the financial year ended November 30, 2023, within the period prescribed for such filings. The Subsequent CTO has no expiry date and, as of the date of this Circular, the Subsequent CTO has not been revoked or rescinded.

**Except where authority to vote in favour of the election of the four (4) nominees set forth above as directors is voted against, the persons named in the accompanying form of proxy will vote FOR setting the number of directors of the Corporation at four (4) and FOR the election of the four (4) nominees as directors of the Corporation.**

**Management recommends that Shareholders vote FOR setting the number of directors at four (4) and FOR the election of each of the nominees as directors of the Corporation.**



## APPOINTMENT OF AUDITOR

On April 3, 2025, Davidson & Company LLP resigned as auditors of the Corporation and on the same date, the Board, on the recommendation of the Audit Committee, approved the appointment of DeVisser Gray LLP as auditors of the Corporation. A copy of the “reporting package” (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) in respect of the change of auditors is attached as Schedule “D” to the Information Circular.

The management of the Corporation proposes that DeVisser Gray LLP, Chartered Professional Accountants, be re-appointed as auditors of the Corporation for the financial year ending December 31, 2024 and that the directors of the Corporation be authorized to fix their remuneration.

**Unless otherwise directed, the persons named in the enclosed form of proxy will vote FOR the resolution re-appointing DeVisser Gray LLP, Chartered Professional Accountants, as auditors of the Corporation, to hold office until the end of the next annual meeting of shareholders, and authorizing the directors to fix their remuneration.**

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators requires the Corporation, as a venture issuer, to disclose annually in its management information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following disclosure.

### The Audit Committee’s Charter

The audit committee has a charter. A copy of the audit committee charter was filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) on September 8, 2020 as Schedule “A” to the final long form prospectus. A copy may also be obtained from the Chief Financial Officer of the Corporation, telephone number 416-848-0106 or email at [carm@marrellisupport.ca](mailto:carm@marrellisupport.ca).

### Composition of the Audit Committee

As at the date hereof, the members of the audit committee are Louis Doyle, Martin Dupuis and Alain Lambert. Mr. Doyle and Mr. Dupuis are independent members of the committee, and all three are considered to be financially literate. Mr. Lambert is not independent by virtue of being the Chief Executive Officer of the Corporation.

### Relevant Education and Experience

Mr. Doyle has over 30 years of experience focused primarily on capital markets and public companies. Since 2016, he has also provided consulting services to private companies seeking listing on Canadian exchanges. Since January 2016, Mr. Doyle is the Executive Director of Québec Bourse. Between October 1999 and December 2015, he was the Vice-President, Montréal of the TSX Venture Exchange. As such, he was responsible for business development and listing activities in the province of Québec and Atlantic Canada. During his tenure, he acted as chairman of TSX Venture Listing Committee and was a member of the Policy committee. Mr. Doyle also led the nationwide TSX Venture Mentorship program and further acted regularly as a speaker and advisor at conferences and workshops. He also holds directorship roles with two other publicly traded companies.

Mr. Lambert, who co-founded Prismo in 2018, is a lawyer by training and has over 35 years of experience in

financing and advising small and medium sized companies operating in various industries including technology, manufacturing and the natural resources sector. Mr. Lambert has been involved in private and public financings totaling more than \$1 billion. He has an extensive network of investors, investment bankers, analysts and investor relations professionals. Mr. Lambert acts as an advisor to public and private companies regarding financings, mergers and acquisitions plans, debt structuring as well as going-public transactions. Throughout his career, Mr. Lambert has served as a director and member of the audit committee and governance committee of small and medium sized private and public companies. He holds a Bachelor of Laws degree (LL.B.) from the University of Montréal and a diploma of collegial studies, specializing in administration from the College Jean-de-Brébeuf, Montréal, Québec. Mr. Lambert was a member of the Québec Bar Association until 2008, when he retired from the Quebec Bar. Between 2009 and 2012, Mr. Lambert served as the Chairman of the Québec Advisory Committee to the TSX Venture Exchange and sat on the Exchange's National Advisory Committee, a committee of experts which advises the Canadian small cap exchange on policy matters, proposed Regulatory changes and business strategy.

Mr. Martin Dupuis has over 25 years of experience covering all stages of a project's life, from exploration through feasibility and engineering studies, construction, mine expansion and operations. Mr. Dupuis was formerly Vizsla Silver's Chief Operating Officer. He was instrumental in the oversight and delivery of the company's maiden resource estimate. Prior to joining Vizsla Silver, Mr. Dupuis was Director of Geology for Pan American Silver, Technical Services Manager for Aurico Gold, and Chief Geologist at several other operations.

Each member of the audit committee has:

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

### **Audit Committee Oversight**

The audit committee has not made any recommendations to the Board to nominate or compensate any external auditor other than DeVisser Gray LLP, Chartered Professional Accountants.

### **Reliance on Certain Exemptions**

The Corporation's auditor, DeVisser Gray LLP, Chartered Professional Accountants, has not provided any material non-audit services.

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

See the audit committee charter concerning the adoption of specific policies and procedures for the engagement of non-audit services.

### **External Auditor Service Fees**

The audit committee has reviewed the nature and amount of the non-audit services provided by the auditors to

the Corporation to ensure auditor independence. Fees incurred with the auditors for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Financial year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2024	\$21,500	Nil	Nil	Nil
December 31, 2023	\$30,000	Nil	\$3,000	Nil

“Audit Fees” include all professional fees paid to the Corporation’s external auditor for auditing the Corporation’s annual financial statements and performing other audit involving legal deposits.

“Audit-Related Fees” include all professional fees paid for providing auditing-related services, notably consulting fees pertaining to standards for disclosing accounting and financial information.

“Tax Fees” include all professional fees paid for ensuring compliance with taxation regulations, for providing taxation counsel, consultation and financial planning services in preparation for filing the income tax returns of the Corporation and preparing capital statements.

“All Other Fees” include all professional fees paid for all the services other than those falling into the categories of Audit Fees, Audit-Related Fees and Tax Fees.

### **Exemption**

The Corporation is a venture issuer and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

## **CORPORATE GOVERNANCE**

### **General**

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

### **Board of Directors**

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Corporation’s board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Corporation’s financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Louis Doyle and Martin Dupuis. The non-independent directors are Dr. Peter Craig Gibson (Chief Exploration Officer of the Corporation) and Alain Lambert (Chief Executive Officer of the Corporation).

## **Directorships**

Dr. Peter Craig Gibson is a director of Garibaldi Resources Corp. and Beyond Minerals Inc.

Mr. Louis Doyle is a director of Albatros Acquisition Corporation Inc. and Val-d'Or Mining Corporation.

## **Orientation and Continuing Education**

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

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

## **Ethical Business Conduct**

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

## **Nomination of Directors and Disclosure Relating to Diversity**

The Board does not have a nominating committee. The current size and composition of the Board allow the entire Board to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences, and ability to devote the required time.

The Corporation has not adopted term limits for its directors or other mechanisms of Board renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board, and therefore does occasionally add new members; however, it values continuity on the Board of Directors and the in-depth knowledge of the Corporation held by those members who have a long-standing relationship with the Corporation.

The Corporation does not currently have a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities as directors. Historically, the Corporation has not felt that such a policy was needed. However, the Corporation is currently considering the adoption of such a policy.

When the Board selects candidates for executive or senior management positions or for director positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation's management or Board, as the case may be to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity at the executive and senior management levels and on the Board, and therefore the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities is one factor taken into consideration during the search process for executive and senior management positions or for directors.

The Corporation has not adopted a "target" number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board or in executive or senior management positions. The Corporation considers candidates based on their qualifications, personal qualities, business

background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates. The Board does however aim to maintain a sufficient number of members that reside within a close proximity to its assets.

### **Compensation**

The Board determines compensation for the directors and Chief Executive Officer.

### **Other Board Committees**

The Board has no committees other than the audit committee.

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and the audit committee.

## **STATEMENT OF EXECUTIVE COMPENSATION**

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation*, for Venture Issuers (the “**Form**”), as such term is defined in National Instrument 51-102.

For the purposes of this Statement of Executive Compensation:

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

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

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

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

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Corporation to NEOs and directors of the Corporation for the two completed financial

years ended December 31, 2024 and December 31, 2023. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities*” of this Form.

During the financial year ended December 31, 2024, based on the definition above, the NEOs of the Corporation were: Mr. Alain Lambert, Chief Executive Officer of the Corporation; Dr. Peter Craig Gibson, Chief Exploration Officer and former President and Chief Executive Officer of the Corporation; and Mr. Carmelo Marrelli, Chief Financial Officer and Corporate Secretary of the Corporation.

During the financial year ended December 31, 2023, based on the definition above, the NEOs of the Corporation were: Dr. Peter Craig Gibson, Chief Exploration Officer and former President and Chief Executive Officer of the Corporation, and Mr. Carmelo Marrelli, Chief Financial Officer and Corporate Secretary of the Corporation.

**Table of Compensation, Excluding Compensation Securities in Financial Years ended  
December 31, 2024 and 2023**

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Alain Lambert CEO and Director <sup>(3)</sup>	2024	Nil	Nil	Nil	Nil	86,500	86,500
	2023	N/A	N/A	N/A	N/A	N/A	N/A
Carmelo Marrelli <sup>(2)</sup> CFO and Corporate Secretary	2024	Nil	Nil	Nil	Nil	43,530	43,530
	2023	Nil	Nil	Nil	Nil	36,448	36,448
Peter Craig Gibson Chief Exploration Officer and Director <sup>(1)</sup> Former President and CEO	2024	263,894	Nil	Nil	Nil	Nil	263,894
	2023	93,812	Nil	Nil	Nil	Nil	93,812
Louis Doyle Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Martin Dupuis Director <sup>(3)</sup>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jorge Rafael Gallardo Romero <sup>(4)</sup> Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Maria Guadalupe Yeomans Otero <sup>(5)</sup> Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jean-François Meilleur Former Director <sup>(6)</sup>	2024	N/A	N/A	N/A	N/A	N/A	N/A
	2023	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Dr. Gibson resigned as CEO and President, and was appointed as Chief Exploration Officer, on May 1, 2024. Stephen Robertson was appointed as President on May 1, 2024.
- (2) Carmelo Marrelli provides his services to the Corporation as CFO through Marrelli Support Services Inc., a company wholly owned by Mr. Marrelli, pursuant to the terms and conditions of a consulting agreement dated effective January 13, 2022 between the Corporation and Marrelli Support Services Inc. See section “*Statement of Executive Compensation - Employment, Consulting and Management Agreements*”. Carmelo Marrelli was appointed as Corporate Secretary effective April 11, 2024.
- (3) Alain Lambert was appointed Executive Chairman and director and Martin Dupuis was appointed director on June 20, 2023. Mr. Lambert was subsequently appointed as CEO on May 1, 2024.
- (4) Mr. Romero resigned as a director on February 27, 2025.
- (5) Ms. Otero resigned as a director on February 27, 2025.
- (6) Mr. Meilleur did not stand for re-election at the Corporation’s 2023 annual general meeting held on June 20, 2023.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and named executive officer by the Corporation or any of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

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
Alain Lambert CEO and Director <sup>(3)</sup>	Stock Option	500,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	125,000	September 9, 2024	N/A	\$0.205	\$0.11	N/A

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
Carmelo Marrelli <sup>(2)</sup> CFO and Corporate Secretary	Stock Option	75,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	SAR	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	50,000	September 9, 2024	N/A	\$0.205	\$0.11	N/A
Peter Craig Gibson Former President and CEO Chief Exploration Officer and Director <sup>(1)</sup>	Stock Option	100,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	125,000	September 9, 2024	N/A	\$0.205	\$0.11	N/A
Louis Doyle <sup>(4)</sup> Director	Stock Option	125,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	SAR	75,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	75,000	September 9, 2024	N/A	\$0.205	\$0.11	N/A
Martin Dupuis Director <sup>(5)</sup>	Stock Option	75,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	SAR	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	50,000	September 9, 2024	N/A	\$0.205	\$0.11	N/A
Jorge Rafael Gallardo Romero <sup>(6)</sup> Former Director	Stock Option	75,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	SAR	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	RSU	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
Maria Guadalupe Yeomans Otero <sup>(7)</sup>	Stock Option	75,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029
	SAR	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029



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
Former Director	RSU	50,000	September 9, 2024	\$0.205	\$0.205	\$0.11	September 9, 2029

**Notes:**

- (1) As at December 31, 2024, Peter Craig Gibson held, directly or indirectly, (i) 175,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.125 until September 30, 2025; (ii) 175,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 until July 27, 2028; (iii) 100,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (iv) an aggregate of 125,000 RSUs; (v) 75,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; and (vi) 175,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028.
- (2) As at December 31, 2024, Carmelo Marrelli held, directly or indirectly, (i) 75,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (ii) 50,000 RSUs; (iii) 50,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; and (iv) 50,000 SARs, each exercisable at a price of \$0.205 until September 9, 2029.
- (3) As at December 31, 2024, Alain Lambert held, directly or indirectly, (i) 460,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.17 per share until July 27, 2027; (ii) 140,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 per share until July 27, 2028; (iii) 500,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (iv) an aggregate of 125,000 RSUs; (v) 100,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; and (vi) 150,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028.
- (4) As at December 31, 2024, Louis Doyle held, directly or indirectly, (i) 150,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.165 per share until July 27, 2027; (ii) 100,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 per share until July 27, 2028; (iii) 125,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (iv) an aggregate of 75,000 RSUs; (v) 50,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; (vi) 50,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028; and (vii) 75,000 SARs, each exercisable at a price of \$0.205 until September 9, 2029.
- (5) As at December 31, 2024, Martin Dupuis held, directly or indirectly, (i) 150,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 per share until July 27, 2028; (ii) 75,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (iii) an aggregate of 50,000 RSUs; (iv) 50,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028; and (v) 50,000 SARs, each exercisable at a price of \$0.205 until September 9, 2029.
- (6) As at December 31, 2024, Jorge Rafael Gallardo Romero held, directly or indirectly, (i) 100,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.125 per share until September 30, 2025; (ii) 50,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.165 per share until July 27, 2027; (iii) 50,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 per share until July 27, 2028; (iv) 75,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (v) an aggregate of 50,000 RSUs; (vi) 50,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; (vii) 25,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028; and (viii) 50,000 SARs, each exercisable at a price of \$0.205 until September 9, 2029.
- (7) As at December 31, 2024, María Guadalupe Yeomans Otero held, directly or indirectly, (i) 100,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.125 per share until September 30, 2025; (ii) 50,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.165 per share until July 27, 2027; (iii) 50,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.305 per share until July 27, 2028; (iv) 75,000 options, each of which is exercisable into one Common Share at an exercise price of \$0.205 until September 9, 2029; (v) an aggregate of 50,000 RSUs; (vi) 50,000 SARs, each exercisable at a price of \$0.475 until January 8, 2028; (vii) 25,000 SARs, each exercisable at a price of \$0.305 until July 27, 2028; and (viii) 50,000 SARs, each exercisable at a price of \$0.205 until September 9, 2029.

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

The following table sets forth all compensation securities exercised by a NEO or director of the Corporation or one of its subsidiaries during the financial year ended December 31, 2024:

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Alain Lambert CEO and Director	Stock Option	400,000	\$0.17	August 23, 2024	\$0.20	\$0.03	\$12,000

### External Management Companies

None of the NEOs or directors of the Corporation have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Corporation to provide executive management services to the Corporation, directly or indirectly.

### Employment, Consulting and Management Agreements

On or about October 17, 2018 (the date of incorporation of the Corporation), the Corporation entered into an informal consulting services arrangement with Dr. Craig Gibson (former President and Chief Executive Officer, and a director). Pursuant to the arrangement, Mr. Gibson invoices the Corporation for his services as an independent contractor.

The Corporation has entered into consulting agreements with Carmelo Marrelli (CFO and Corporate Secretary) and Marrelli Support Services Inc. (“MSSI”), a private company through which, together with DSA Filing Services Ltd. (“DSA”), Mr. Marrelli provides his services to the Corporation.

On January 13, 2022, the Corporation entered into a formal letter of engagement and consulting agreement (collectively, the “MSSI Agreements”) with Carmelo Marrelli and MSSI. The MSSI Agreements are effective January 13, 2022 and shall continue for an initial term of 2 years (the “Initial Term”), unless earlier terminated by either Mr. Marrelli or the Corporation. The MSSI Agreements provide for accounting fees of \$2,000 per month, as well as eligibility for annual bonus incentives and incentive stock options at the discretion of the Board (see the *Table of compensation, excluding compensation securities* for executive compensation information in respect of the NEOs). The MSSI Agreements provide for a notice period or pay in lieu thereof equal to the balance of the Initial Term in the event of a termination by the Corporation prior to the end of Initial Term for any reason other than in connection with a change of control.

The Corporation does not have any employment, consulting, or management agreements or arrangements with any of the Corporation’s other officers or directors.

### Oversight and Description of Director and NEO Compensation

The Board has not appointed a compensation committee and the responsibilities relating to executive and

director compensation, including reviewing and recommending director compensation, overseeing the Corporation's base compensation structure and equity-based compensation program, recommending compensation of the Corporation's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Corporation's senior management. The Board reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity.

The Board has not considered the implications of the risks associated with the Corporation's compensation program.

The Corporation intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Corporation's compensation program and how it might mitigate those risks. The Corporation is a junior natural resource issuer whose shares are listed on the NEX. The Corporation's principal objective is to identify potential mineral property transactions as a means to enhance shareholder value. In this context, the Corporation has a modest management team consisting of the CEO and CFO, who are retained on a consulting contract basis, supplemented where necessary by members of the Board. The Corporation's compensation scheme is designed to reward the NEOs for meeting the Corporation's principal objective while maintaining its status as a reporting issuer, and consists of three elements – a base salary, incentive stock options, and bonus compensation.

The CEO's compensation was determined by negotiation between the CEO and the majority shareholder of the Corporation, subject to the approval of the Board. The CFO's compensation was established by the CEO subject to the approval of the Board. The base salary element of compensation is designed to ensure the Corporation is able to retain qualified individuals to act as its CEO and CFO, and was established by arm's length negotiation with the NEOs. The Corporation grants stock options to the NEOs as a means of aligning management interests with those of the Corporation's shareholders.

### **Stock Option Plans and Other Incentive Plans**

The long-term component of compensation for senior officers, including the NEOs, is based on security-based compensation awards. This component of compensation is intended to reinforce management's commitment to long term improvements in the Corporation's performance.

The Board believes that incentive compensation in the form of security-based compensation awards which vest over time, is and has been beneficial and necessary to attract and retain both senior executives and managerial talent at other levels. Furthermore, the Board believes security-based compensation awards are an effective long-term incentive vehicle because they are directly tied to share price over a longer period and motivate executives to deliver sustained long term performance and increase shareholder value, and have a time horizon that aligns with long-term corporate goals.

As part of the Corporation's evolving compensation practices, on August 31, 2022, the Board adopted a long-term equity compensation plan. Subsequently, on August 18, 2025, the Board adopted a new long-term incentive plan as a means to grant or award security-based compensation awards. In determining individual grants, the Board considers the experience, responsibilities and performance of each recipient of an award under the new long-term incentive plan. Previous grants are also taken into consideration during the grant process.

For a summary of the terms of the new long-term incentive plan, see *"Particulars of Other Matters to be Voted Upon – Approval of New Long-Term Incentive Plan"*.

## Pension Disclosure

The Corporation does not have a pension plan and does not pay pension benefits to any of its NEOs.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See “*Particulars of Other Matters to be Voted Upon – Approval of New Long-Term Incentive Plan*” for disclosure on the Long-Term Incentive Plan.

## Equity Compensation Plan Information

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding options and rights	Weighted-average exercise price of outstanding options and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	7,175,000 <sup>(1)</sup>	\$0.208 (Options) \$0.297 (SARs)	974,578 <sup>(2)</sup>
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

Note:

(1) Comprised of an aggregate of 4,525,000 options, 1,725,000 SARs and 925,000 RSUs.

(2) Options available for grant under the Prior Plan.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end most recently completed financial year or as at the date hereof.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Corporation, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries during the year ended December 31, 2024, or has any interest in any material transaction in the current year other than as set out herein or in a document disclosed to the public.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Continuance Under the *Business Corporations Act* (British Columbia) and Name Change

The Corporation is currently incorporated under the *Canada Business Corporations Act* (the "CBCA"). The Board proposes to continue the Corporation into British Columbia (the "Continuance") under the *Business Corporations Act* (British Columbia) (the "BCBCA"). At the Meeting, shareholders of the Corporation will be

asked to consider and, if thought advisable, approve with or without variation, a special resolution (the "**Continuance and Name Change Resolution**") approving and authorizing the Corporation to continue into British Columbia under the BCBCA as if the Corporation had been incorporated under the laws of British Columbia. As part of the Continuance and Name Change Resolution, shareholders will also be asked to approve the adoption by the Corporation of the Notice of Articles and Articles, which comply with the requirements of the BCBCA, in substitution for the existing Articles of Incorporation and by-laws of the Corporation and any amendments thereto to date. The proposed form of Articles under the BCBCA is attached to this Information Circular as Schedule "A".

The Corporation is asking shareholders to approve the Continuance and Name Change Resolution because of the greater flexibility in corporate administrative matters and corporate structure generally afforded by the BCBCA. In particular, the BCBCA, unlike the CBCA, does not require that at least 25% of the directors be ordinarily resident in Canada, and the Corporation may need the flexibility to recruit directors who can contribute to its growth and development, wherever such person may reside. Continuance under the BCBCA will also provide some added flexibility with respect to corporate transactions.

Management of the Corporation is of the view that the provisions of the BCBCA are consistent with corporate legislation in other Canadian jurisdictions and will provide shareholders of the Corporation with substantially the same rights as those that are available to shareholders under the CBCA. The change of the Corporation's corporate jurisdiction will not result in any material change to its business and will not have any effect on the relative equity or voting interests of shareholders.

#### *Continuance Process*

In order to effect the Continuance:

- (a) The Corporation must obtain the approval of its shareholders to the Continuance and Name Change Resolution by way of a special resolution to be passed by not less than two-thirds (66<sup>2/3</sup>%) of the votes cast at the Meeting in person or by proxy;
- (b) The Corporation must make written application to the Director under the CBCA for consent to continue under the BCBCA, such written application to establish to the satisfaction of the Director that the proposed Continuance will not adversely affect the Corporation's creditors or shareholders;
- (c) Once the Continuance and Name Change Resolution is passed and the Corporation has obtained the consent of the Director under the CBCA, the Corporation must file a Continuance Application and the consent of the Director under the CBCA, along with the prescribed documents under the BCBCA, with the Registrar of Companies under the BCBCA to obtain a Certificate of Continuance;
- (d) On the date shown on the Certificate of Continuance issued by the British Columbia Registrar of Companies, the Corporation will become a Corporation registered under the laws of the Province of British Columbia as if it had been incorporated under the laws of the Province of British Columbia; and
- (e) The Corporation must then file a copy of the Certificate of Continuance with the Director under the CBCA and receive a Certificate of Discontinuance under the CBCA.

#### *Effect of Continuance*

Upon the Continuance, the CBCA will cease to apply to the Corporation and the Corporation will thereupon become subject to the BCBCA, as if it had originally incorporated as a British Columbia Corporation. The Continuance will not create a new legal entity, affect the continuity of the Corporation or result in a change to its

business or affect the share capital. The persons elected as directors by the shareholders at the Meeting will continue to constitute the Board upon the Continuance becoming effective.

The BCBCA provides that when a foreign corporation continues under the BCBCA:

- (a) The property, rights and interests of the foreign corporation continue to be the property, rights and interests of the corporation;
- (b) The corporation continues to be liable for the obligations of the foreign corporation;
- (c) An existing cause of action, claim or liability to prosecution is unaffected;
- (d) A legal proceeding being prosecuted or pending by or against the foreign corporation may be prosecuted or its prosecution may be continued, as the case may be, by or against the corporation; and
- (e) A conviction against, or a ruling, order or judgement in favour of or against the foreign corporation may be enforced by or against the corporation.

The Continuance will not affect the Corporation's status as a listed Corporation on the CSE or as a reporting issuer under applicable securities legislation.

As of the effective date of the Continuance, the Corporation's current constating documents, its Articles and by-laws under the CBCA will be replaced with a Notice of Articles and Articles under the BCBCA. The Corporation's registered and records office will be in British Columbia. A copy of the proposed Articles of the Corporation under the BCBCA are attached to this Circular as Schedule "A".

#### *Change of Name of the Corporation to "AZ Exploration Inc."*

In connection with the completion of the Continuance, the Board wishes to change the name of the Corporation from Prismo Metals Inc. to "AZ Exploration Inc.", or such other name as the Board may determine (the "**Name Change**"). The purpose of the Name Change is to comply with the Corporation name requirements set out in the BCBCA and to better reflect the Corporation's business.

#### *Comparison of CBCA and BCBCA*

Upon completion of the Continuance, the Corporation will be governed by the BCBCA. Although the rights and privileges of shareholders under the CBCA are in many instances comparable to those under the BCBCA, there are several notable differences, and shareholders are advised to review the information contained in this Circular and to consult with their professional advisors with respect to the implications of the Continuance that may be of particular importance to them.

In general terms, the BCBCA provides to shareholders substantively the same rights as are available to shareholders under the CBCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions. There are, however, important differences between the two statutes. A comparison of certain key provisions of the CBCA and the BCBCA is set out below. This summary is not intended to be exhaustive and is qualified in its entirety by the full text of the CBCA and the BCBCA, as applicable.

#### *Charter Documents*

Under the CBCA, the charter documents for a corporation consist of (i) articles, which set forth, among other things, the name of the corporation, the province in which the corporation's registered office is to be located, the

authorized share capital including any rights, privileges, restrictions and conditions thereon, any restrictions on the transfer of shares, the number of directors (or the minimum and maximum number), any restrictions on the business that the corporation may carry on, the ability of directors to appoint additional directors between annual meetings, and other provisions, and (ii) the by-laws, which govern the management of the corporation. The articles are filed with Industry Canada and the by-laws are filed only at the registered office of the corporation.

Under the BCBCA, the charter documents consist of (i) a "notice of articles" which sets forth the name of the corporation, the corporation's registered and records office, the names and addresses of the directors of the corporation and the amount and type of authorized capital; and (ii) the "articles" which govern the management of the corporation and set out any special rights or restrictions attached to shares. The notice of articles is filed with the Registrar of Companies and the articles are filed only with a corporation's registered and records office.

A copy of the proposed Articles of the Corporation under the BCBCA are attached to this Circular as Schedule "A". A brief description of the material differences between the Corporation's current by-laws and the proposed new Articles is set out under "*Comparison of New Articles to Current By-laws*" below.

#### Changes to Charter Documents

The CBCA requires shareholder approval by Special Resolution to change the name of the corporation, whereas under the BCBCA the board of directors may approve a change of name. The BCBCA permits changes to be made to the constating documents with shareholder approval by ordinary resolution unless a higher threshold is specified in the articles. The proposed Articles of the Corporation generally do not specify a higher threshold. Under the CBCA, changes to the articles generally require approval by shareholders by Special Resolution while changes to the by-laws require shareholder approval by ordinary resolution, unless a higher threshold is specified in the by-laws. However, the BCBCA is slightly less flexible with respect to the timing for adopting changes to the constating documents. Changes to the articles of a BCBCA corporation require approval by the shareholders in order to become effective. The board of directors of a CBCA corporation, however, may amend the by-laws of the corporation with immediate effect, subject to the amendment ceasing to have effect if it is not approved by shareholders at the next shareholders' meeting.

#### Shareholder Proposals and Shareholder Requisitions

Both the CBCA and the BCBCA provide for shareholder proposals. Under the CBCA, either a shareholder of record or a beneficial shareholder may submit a proposal, so long as such shareholder either (i) has owned for six months not less than 1% of the total number of voting shares, or voting shares with a fair market value of at least \$2,000; or (ii) have the support of persons who, in the aggregate, have owned for six months not less than 1% of the total number of voting shares, or voting shares with a fair market value of at least \$2,000. Under the BCBCA, in order for a shareholder of record or a beneficial shareholder to be entitled to submit a proposal, they must have held voting shares for an uninterrupted period of at least two years before the date the proposal is signed by the shareholder and must own not less than 1% of the total number of voting shares, or own voting shares with a fair market value in excess of \$2,000.

Both statutes provide that one or more shareholders of record holding more than 5% of the outstanding voting shares may requisition a meeting of shareholders, and permit the requisitioning shareholder to call the meeting where the board of directors of the corporation does not do so within 21 days following the corporation's receipt of the requisition. However, unlike the CBCA, the BCBCA specifies that the requisitioned shareholder meeting must be held not more than four months after the date the corporation received the requisition. The CBCA does not specify such an outside date.

Under the CBCA, a shareholder proposal must be submitted to the corporation during the 60-day period between 90 and 150 days before the anniversary date of the corporation's prior annual general meeting. Under

the BCBCA, a shareholder proposal must be submitted to the corporation not later than 3 months before the anniversary date of the corporation's prior annual general meeting.

### *Rights of Dissent and Appraisal*

Under the BCBCA, shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair market value of such shares. Under the BCBCA, the dissenting shareholder must generally send notice of dissent prior to the resolution being passed. The dissent right may be exercised by a holder of shares of any class of the corporation in certain circumstances, including where the corporation proposes to:

1. Amend its articles to alter restrictions on the powers of the corporation or the business that the corporation is entitled to carry on;
2. Adopt an amalgamation agreement;
3. Authorize a continuation of the corporation into a jurisdiction other than British Columbia;
4. Sell, lease or otherwise dispose of all or substantially all of the corporation's undertaking;
5. Adopt a resolution to approve an amalgamation into a foreign jurisdiction;
6. Adopt a resolution to approve an arrangement, the terms of which arrangement permit dissent or where right of dissent is given pursuant to a court order;
7. Adopt any other resolution if dissent is authorized by the resolution; or
8. Pursuant to any court order that permits dissent.

Under the CBCA, shareholders who dissent to certain actions being taken by a corporation may exercise a right of dissent and require the corporation to purchase the shares held by such shareholder at the fair market value of such shares. The dissent right is applicable where a corporation proposes to:

1. Amend its articles to add, change or remove any provision restricting or constraining the issue or transfer of shares of that class;
2. Amend its articles to add, change or remove any restrictions on the business or businesses that the corporation may carry on;
3. Enter into any statutory amalgamations;
4. Continue out of the jurisdiction;
5. Sell, lease or exchange all or substantially all of its property, other than in the ordinary course of business;
6. Carry out a going-private transaction or squeeze-out transaction; or
7. Amend its articles to alter the rights or privileges attaching to shares of any class where such alteration triggers a class vote.



The procedure for exercising dissent rights under the CBCA is different than that contained in the BCBCA. The dissent provisions of the CBCA are set forth in Schedule "B" to this Circular.

### *Oppression Remedies*

Under the BCBCA, a shareholder of a corporation has the right to apply to court on the grounds that:

1. The affairs of the corporation are being or have been conducted, or that the powers of the directors are being or have been exercised in a manner oppressive to one or more of the shareholders, including the applicant; or
2. Some act of the corporation has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

On such application, the court can grant a variety of remedies, ranging from an order restraining the conduct complained of to an order requiring the corporation to repurchase the shareholder's shares or an order liquidating the corporation.

The CBCA contains rights that are worded more broadly, in that they are expressly available to a larger class of complainants. Under the CBCA, a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer and former officer of a corporation or any of its affiliates or any other person who, in the discretion of a court is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where, in respect of a corporation or any of its affiliates:

1. any act or omission of the corporation or its affiliates effects a result;
2. the business or affairs of the corporation or its affiliates are, have been carried on or conducted in a manner, or
3. the powers of the directors of the corporation or any of its affiliates are, have been exercised in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any securityholder, creditor, director or officer.

### *Shareholder Derivative Actions*

Under the BCBCA, a shareholder or a director of a corporation may, with judicial leave, bring an action in the name of and on behalf of the corporation to enforce a right, duty or obligation owned to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such right, duty or obligation. There is a similar right of a shareholder or director, with leave of the court, and in the name and on behalf of the corporation, to defend an action brought against the corporation. The court will grant leave under the BCBCA for an application to commence a derivative action if:

1. the complainant has made reasonable efforts to cause the directors of the corporation to prosecute or defend the legal proceeding;
2. notice of the application for leave has been given to the corporation and to any other person the court may order;
3. the complainant is acting in good faith; and

4. it appears to the court that it is in the best interests of the corporation for the legal proceeding to be prosecuted or defended.

The CBCA contains a more broadly worded right to bring a derivative action, which extends to a registered shareholder, former registered shareholder, beneficial owner of shares, former beneficial owner of shares, director, former director, officer, former officer of a corporation or any of its affiliates, and any person who, in the discretion of the court is a proper person to make an application to court to bring a derivative action. In addition, the CBCA permits derivative actions to be commenced in the name of and on behalf of the corporation or any of its subsidiaries. No leave may be granted under the CBCA unless the court is satisfied that:

1. the complainant has given at least fourteen days' notice to the directors of the corporation or its subsidiary of the complainant's intention to apply to the court if the directors of the corporation or its subsidiary do not bring, diligently prosecute, defend or discontinue the action;
2. the complainant is acting in good faith; and
3. it appears to be in the interests of the corporation or its subsidiary that the action be brought, prosecuted, defended or discontinued.

#### Place of Meetings

The CBCA provides that meetings of shareholders shall be held at any place within Canada provided by the by-laws, or in the absence of such a provision, at the place within Canada that the directors determine. Meetings of shareholders may be held outside of Canada if the place is specified in the articles or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

Under the BCBCA, general meetings of shareholders are to be held in British Columbia, or may be held at a location outside of British Columbia if:

1. the location is provided for in the articles;
2. the articles do not restrict the corporation from approving a location outside of British Columbia and the location is approved by the resolution required by the articles for that purpose, or if no resolution is required for that purpose by the articles, is approved by ordinary resolution; or
3. the location is approved in writing by the Registrar of Companies before the meeting is held.

#### Majority Voting Rules

For a corporation governed by the CBCA and which is a reporting issuer under securities laws, the corporation must allow shareholders to vote "for" or "against" individual director nominees in an uncontested election, rather than vote "for" or "withhold" their vote under the BCBCA. Subject to the corporation's articles, where only one nominee is up for election for each board seat and less than 50% of the votes cast by shareholders are "for" a particular director nominee, such nominee will not be elected as a director. However, if an incumbent director is not elected by a majority of "for" votes at the meeting, s/he will still be permitted to continue in office until the earlier of (a) the 90th day after the day of the election; and (b) the day on which their successor is appointed or elected.

In limited circumstances, the elected directors may also reappoint the incumbent director even though s/he did not receive majority support in the most recent election. More specifically, the CBCA allows reappointment in two circumstances:

- (a) where it is required to satisfy the CBCA's Canadian residency requirement; or
- (b) where it is required to satisfy the CBCA's requirement that at least two directors of a reporting issuer not also be officers or employees of the corporation or its affiliates.

If the shareholders fail to elect the number or minimum number of directors required by the issuer's articles due to a lack of a majority of "for" votes for any director nominee(s), the directors who were elected at the meeting may exercise all their powers as directors provided that they constitute a quorum.

The BCBCA does not have majority voting requirements for uncontested director elections. In an uncontested election, all director nominees who receive any "for" votes will be elected.

### Diversity Disclosure

Corporations governed by the CBCA and which are reporting issuers must include certain disclosure related to diversity in their information circulars mailed to shareholders in connection with every annual general meeting. The BCBCA does not have such a requirement. The information required to be disclosed for CBCA corporations includes:

1. whether or not the corporation has adopted term limits for the directors on its board or other mechanisms of board renewal and, as the case may be, a description of those term limits or mechanisms or the reasons why it has not adopted them;
2. whether or not the corporation has adopted a written policy relating to the identification and nomination of members of designated groups for directors and, if it has not adopted a written policy, the reasons why it has not adopted the policy;
3. if the corporation has adopted a written policy regarding diversity,
  - (a) a short summary of the policy's objectives and key provisions,
  - (b) a description of the measures taken to ensure that the policy is effectively implemented,
  - (c) a description of the annual and cumulative progress by the corporation in achieving the objectives of the policy, and
  - (d) whether or not the board of directors or its nominating committee measures the effectiveness of the policy and, if so, a description of how it is measured;
4. whether or not the board of directors or its nominating committee considers the level of the representation of designated groups on the board in identifying and nominating candidates for election or re-election to the board and, as the case may be, how that level is considered or the reasons why it is not considered;
5. whether or not the corporation considers the level of representation of designated groups when appointing members of senior management and, as the case may be, how that level is considered or the reasons why it is not considered;
6. whether or not the corporation has, for each group referred to in the definition of designated groups, adopted a target number or percentage, or a range of target numbers or percentages, for members of the group to hold positions on the board of directors by a specific date and

- (a) for each group for which a target has been adopted, the target and the annual and cumulative progress of the corporation in achieving that target, and
  - (b) for each group for which a target has not been adopted, the reasons why the corporation has not adopted that target;
- 7. whether or not the corporation has, for each group referred to in the definition designated groups, adopted a target number or percentage, or a range of target numbers or percentages, for members of the group to be members of senior management by a specific date and,
  - (a) for each group for which a target has been adopted, the target and the annual and cumulative progress of the corporation in achieving that target, and
  - (b) for each group for which a target has not been adopted, the reasons why the corporation has not adopted that target;
- 8. for each of certain designated groups, the number and proportion, expressed as a percentage, of members of each group who hold positions on the board of directors; and
- 9. for each of certain designated groups, the number and proportion, expressed as a percentage, of members of each group who are members of senior management of the corporation, including all of its major subsidiaries.

#### Comparison of New Articles to Current By-Laws

Upon the Continuance, the Corporation's by-laws will be repealed and new Articles in the form set forth in Schedule "A" to this Circular will be adopted. There are many differences between the form of the current by-laws and the proposed Articles. A number of these changes reflect the increased flexibility afforded to companies under the BCBCA as compared with those governed by the CBCA. Following is a summary comparison of certain provisions of the Corporation's current by-laws and the proposed new Articles. **This summary is not intended to be exhaustive and is qualified in its entirety by the full provisions of the current by-laws and proposed new Articles, as applicable.**

#### Number of Directors

Currently the minimum and maximum number of directors of the Corporation are set forth in the Articles as being from 1 to 10. In the proposed new Articles of the Corporation, the minimum number of directors is set as being 3 and there is no maximum number set.

#### Shareholder Meeting Matters

Various provisions of the proposed new Articles are aimed at providing additional clarity regarding the conduct of shareholder meetings, including (i) confirming that access to ballots and proxies voted at the shareholder meeting will be provided as soon as reasonably practicable after the meeting; (ii) confirming the authority of the chair of the shareholder meeting and the Board to waive the time by which proxies must be deposited with the Corporation or its agent in respect of a shareholder meeting, (iii) determining authority for determining which persons, in addition to shareholders, proxy holders, directors and the auditors, may attend shareholder meetings, (iv) determining authority for adjourning a shareholder meeting due to lack of quorum, (v) stating that the chair of the meeting has authority to determine certain disputes in good faith and (vi) clarifying that both the chair of the meeting and the Board have the authority to require evidence of ownership of shares and authority to vote at a shareholder meeting.

### Requirements for Special Resolutions

The CBCA requires that certain matters be approved by Special Resolution of the shareholders. Under the BCBCA, the Corporation may provide for a different level of approval for some matters. The Corporation proposes to adopt the more flexible approach under the BCBCA in order to be able to react and adapt to changing business conditions. As a result, subject to the BCBCA, the proposed new Articles of the Corporation provide that the following matters may be approved by a resolution of the board of directors:

- (a) Create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (b) Increase, reduce or eliminate the maximum number of shares that the Corporation is authorized to issue out of any class or series of shares, or establish a maximum number of shares that the Corporation is authorized to issue out of any class or series for which no maximum is established;
- (c) Alter the identifying name of any of its shares;
- (d) Subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (e) If the Corporation is authorized to issue shares of a class of shares with par value:
  - (i) Decrease the par value of those shares; or
  - (ii) If none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (f) Change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (g) Otherwise alter its shares or authorized share structure when required or permitted to do so by the BCBCA; or
- (h) Authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

### Special Rights and Restrictions with Respect to the Subordinate Voting Shares and Proportionate Voting Shares

The proposed Articles contain similar special rights and restrictions with respect to the Subordinate Voting Shares and Proportionate Voting Shares that are contained in in the Corporation's current Articles. The sole difference is that the proposed Articles allow the Board to approve the voluntary conversion of Proportionate Voting Shares by a holder of Proportionate Voting Shares, if the Board believes such conversion is in the best interests of the Corporation.

### Approval of Continuance and Name Change

At the meeting, the shareholders of the Corporation will be asked to consider and if thought fit, approve the Continuance and Name Change by special resolution. The text of the special resolution which Management intends to place before the Meeting for approval, confirmation, and adoption, with or without modification is as follows:

**“RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The Corporation:
  - (a) Apply to the Director (the "**Director**") under the *Canada Business Corporations Act* (the "**CBCA**") for a Letter of Satisfaction pursuant to section 188(1) of the CBCA;
  - (b) Apply to the Registrar of Companies for British Columbia to continue as a British Columbia company pursuant to Section 302 of the *British Columbia Business Corporations Act* (the "**BCBCA**") in accordance with a Continuance Application in the form required under the BCBCA; and
  - (c) Deliver a copy of the Certificate of Continuance to the Director and request that the Director issue a Certificate of discontinuance under Section 188(7) of the CBCA;
2. Subject to the issuance of such a Certificate of Continuance and without affecting the validity of the Corporation and existence of the Corporation by or under its existing Articles and By-laws and any act done thereunder, effective upon issuance of the Certificate of Continuance, the Corporation change the name of the Corporation from "Prismo Metals Inc." to "AZ Exploration Inc.", or such other name as may be determined by the board of directors of the Corporation, adopt the Notice of Articles set forth in the Continuance Application and the Articles attached to the management information circular dated July 23, 2025, in substitution for the Corporation's existing Articles and By-laws, and such Notice of Articles and Articles are hereby approved and adopted;
3. Notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized, at their discretion, to determine, at any time, to proceed or not to proceed with the Continuance and Name Change and to abandon this resolution at any time prior to the implementation of the Continuance and Name Change with further approval of the shareholders; and
4. Any one director or officer of the Corporation is hereby authorized, empowered and instructed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, the Continuance Application and all such other documents and to do or cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing."

In order to be effective, this resolution requires the approval of not less than two-thirds (66<sup>2/3</sup>%) of the votes cast by the Shareholders who vote in respect of the resolution.

**The Board unanimously recommends that each shareholder vote FOR the Continuance and Name Change.**

**Unless a Proxy specifies that the Shares it represents are to be withheld from voting for the candidates proposed above, the persons named in Proxy intend to vote for the approval of the Continuance and Name Change Resolution.**

A Shareholder may dissent in respect of the Continuance and Name Change Resolution in accordance with section 190 of the CBCA. The text of section 190 of the CBCA is attached as Schedule "B". In order to exercise

the rights of dissent, shareholders must strictly follow the dissent procedures set forth in Schedule "B". A Shareholder who properly dissents will be entitled, if the Continuance and Name Change Resolution becomes effective, to be paid the fair value of the Shares held by that Shareholder.

### **Approval of New Long-Term Incentive Plan**

The Board has approved the adoption of a new "rolling up to 20%" long-term incentive plan (the "**Long-Term Incentive Plan**") to replace the Corporation's existing long-term equity compensation plan (the "**Prior Plan**"). The Prior Plan became effective on August 31, 2022. The Corporation is now seeking shareholder approval to approve the Long-Term Incentive Plan in accordance with Canadian Securities Exchange (the "**Exchange**") Policy 6 – *Distributions and Corporate Finance*.

The Corporation believes it would be prudent to adopt the Long-Term Incentive Plan in order to promote the long-term success of the Corporation and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Corporation, in each case as applicable to the type of Eligible Person to whom an Award is granted.

### ***Summary of the Long-Term Incentive Plan***

The following is a summary of the key provisions of the Long-Term Incentive Plan. The following summary is qualified in all respects by the full text of the Long-Term Incentive Plan, a copy of which is attached hereto as Schedule "C".

All capitalized terms used but not defined in this section have the meaning ascribed thereto in the Long-Term Incentive Plan.

The Long-Term Incentive Plan shall provide for the award of Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**"), Stock Appreciation Rights ("**SARs**") and options to purchase Shares ("**Options**" and together with RSUs, PSUs, DSUs and SARs, "**Awards**") to Directors, Officers, Employees, Management Company Employees, Consultants (as such terms are defined by the Long-Term Incentive Plan) of the Corporation or a subsidiary of the Corporation and Eligible Charitable Organizations (as such term is defined by the Long-Term Incentive Plan and collectively, the "**Eligible Persons**"), as further described in the following summary. The RSUs, PSUs, DSUs, SARs and Options issuable to any Participant under the Long-Term Incentive Plan or the Current Plan shall be hereinafter referred to as "**Incentive Securities**".

### ***Plan Administration***

The Long-Term Incentive Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on any Participants of the Long-Term Incentive Plan and the Corporation, subject to any required approval of the Exchange.

### ***Shares Available for Awards***

The maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under the Corporation's Security Based Compensation Plans, at any point, shall not exceed:

- a) with respect to a grant of Options, ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time; and
- b) with respect to a grant of DSUs, RSUs, PSUs and SARs, ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time.

For greater certainty, this limitation applies to all Incentive Securities granted or issued under the Corporation's Security Based Compensation Plans at any point in time, including those held by Related Persons (as a group) at any point in time.

For the purposes of calculating the number of Shares reserved for issuance under the Long-Term Incentive Plan, each Option and each SAR shall be counted as reserving one Share under the Long-Term Incentive Plan, and notwithstanding that the settlement of any RSU, DSU and PSU may be completed in cash, each RSU, DSU and PSU shall, in each case, be counted as reserving one Share under the Long-Term Incentive Plan.

As Long-Term Incentive Plan is an evergreen plan, the number of Incentive Securities issuable under thereunder will replenish in an amount equal to the number of Shares issued pursuant to the exercise or vesting, as applicable, of such Incentive Securities at any point in time. Any Shares related to Awards which have been settled in cash, cancelled, surrendered, forfeited, expired or otherwise terminated without the issuance of such Shares shall be available again for granting Awards under the Long-Term Incentive Plan.

#### *Participation Limits*

The Long-Term Incentive Plan provides the following limitations on grants:

- a) The maximum aggregate number of Shares issuable to any one Related Person at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed five percent (5%) of the issued and outstanding Shares on a non-diluted basis, calculated at the date an Award is granted to the Related Person, unless the Corporation has obtained the requisite disinterested shareholder approval;
- b) The maximum aggregate number of Shares issuable to all Related Persons at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to a Related Person, unless the Corporation has obtained the requisite disinterested shareholder approval;
- c) The maximum aggregate number of Shares issuable to any one Related Person and the Associates of the Related Person in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any twelve (12) month period, shall not exceed five (5%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to such Related Person, unless the Corporation has obtained the requisite disinterested shareholder approval;
- d) The maximum aggregate number of Shares issuable to all Related Persons in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any twelve (12) month period, shall not exceed ten (10%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to a Related Person, unless the Corporation has obtained the requisite disinterested shareholder approval; and
- e) The maximum aggregate number of Shares issuable to all Investor Relations Service Providers in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any



twelve (12) month period, shall not exceed two (2%) of the issued and outstanding Shares on a non-diluted basis, calculated on the date an Award is granted to an Investor Relations Service Provider.

#### *Eligibility and Participation*

Subject to the provisions of the Long-Term Incentive Plan (including, without limitation, restrictions on grants to Investor Relations Service Providers) and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs, PSUs, DSUs, SARs and Options to all categories of Eligible Persons, except that Eligible Charitable Organizations shall only be entitled to receive Options.

#### *Description of RSUs*

A RSU is a right awarded to a Participant to receive payment in Shares in accordance with the Long-Term Incentive Plan. Upon settlement, contingent upon the lapse of any restrictions, each RSU entitles the recipient Participant to receive a number of Shares equal to the number of RSUs credited to a Participant's Account on vesting dates.

RSUs shall be subject to such restrictions as the Board, in its discretion, may establish or determine in the applicable Award Agreement or at the time an Award is granted. Unless otherwise provided for in an Award Agreement, all RSUs will vest and become payable by the issuance of Shares at the end of the restricted period as specified by the Board in the applicable Award Agreement. Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested.

#### *Effect of Termination on RSUs*

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Long-Term Incentive Plan, RSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Long-Term Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to such Participant will immediately terminate without payment and be automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination, or Retirement: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation without cause, by voluntary termination, or due to Retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any RSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Long-Term Incentive Plan.

Disability: Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under the Long-Term Incentive Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Corporation or a subsidiary of the Corporation is terminated due to Disability, unless the

applicable Award Agreement provides otherwise and subject to the provisions of the Long-Term Incentive Plan, all RSUs granted to the Participant under the Long-Term Incentive Plan that had not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with the provisions of the Long-Term Incentive Plan.

Directorships: Where a Participant ceases to be a Director for any reason, any RSUs granted to such Participant which, prior to cessation, have not vested, will immediately terminate without payment, be forfeited and cancelled. Any RSUs granted to such Participant, which prior to cessation, have vested, will accrue to the Participant in accordance with the provisions of the Long-Term Incentive Plan.

#### *Description of PSUs*

A PSU is an Award that is awarded based on the attainment of performance criteria within a certain period, which criteria and period shall be selected, settled and determined by the Board. An Award Agreement may provide the Board with the right during a Performance Cycle or after it has ended, to revise Performance Criteria and Award amounts if unforeseen events occur.

All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for a Performance Cycle, as determined by the Board. Unless otherwise determined by the Board, upon the occurrence of a Change of Control event, all PSUs shall become fully vested.

#### *Effect of Termination on PSUs*

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Long-Term Incentive Plan, PSUs shall be subject to the following conditions:

Death: Upon death of a Participant, any PSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Long-Term Incentive Plan.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to such Participant will immediately terminate without payment and be automatically forfeited and cancelled.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation without cause, by voluntary termination, or due to Retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any PSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Long-Term Incentive Plan.

Disability: Where a Participant becomes afflicted by a Disability, all PSUs granted to the Participant under the Long-Term Incentive Plan will continue to vest in accordance with the terms of such PSUs, provided, however,

that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Corporation or a subsidiary of the Corporation is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions of the Long-Term Incentive Plan, all PSUs granted to the Participant under the Long-Term Incentive Plan that have not vested will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with the Long-Term Incentive Plan.

**Directorships:** Where a Participant ceases to be a Director for any reason, any PSUs granted to such Participant which, prior to cessation, had not vested, will immediately terminate without payment, be forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to cessation, had vested, will accrue to the Participant in accordance with the provisions of the Long-Term Incentive Plan.

#### *Description of DSUs*

A DSU is an Award that is payable after the effective date that a Participant ceases to be an Eligible Person under the Long-Term Incentive Plan, subject to certain vesting criteria. Unless otherwise determined by the Board, upon the occurrence of a Change of Control event, all DSUs shall become fully vested.

The payment of DSUs will occur on the date that is designated by the Participant and communicated to the Corporation by the Participant in writing at least fifteen (15) days prior to the designated day, or such earlier date as the Participant and Company may agree. If no notice is given by the Participant for a designated day, the DSUs shall be payable on the first anniversary of the date on which the Participant ceases to be an Eligible Person for any reason or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.

#### *Election by Directors – DSUs*

Under the Long-Term Incentive Plan, Directors may elect to receive directorship fees in the form of DSUs, which election must be made within certain timeframes as specified in the Long-Term Incentive Plan. In case of an election by a Director, the number of DSUs to be credited shall be determined by dividing applicable directorship fees with the Market Price on the Grant Date of the DSUs or if more appropriate, another trading range that best represents the period for which the DSUs were earned (subject to minimum pricing requirements under Exchange policies). No fractional DSUs shall be credited to any Director.

#### *Description of SARs*

A SAR is an Award that gives a Participant the right to receive a payment in Shares equal to the excess, if any, of the Market Price at the date such SAR is exercised over the SAR Grant Price, multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the "**SAR Amount**"), in accordance with the terms of the Option and the Long-Term Incentive Plan. The exercise price of the SAR shall be determined by the Board at the time the SAR is granted but in no event shall such exercise price be lower than the Market Price permitted by the Exchange.

The Board shall determine the vesting, performance and other conditions, if any, that must be satisfied before all or part of an SAR may be exercised. Unless otherwise determined by the Board, upon the occurrence of a Change of Control event, all SAR shall become fully vested.

SAR will be exercised pursuant to their applicable Award Agreement, which exercise shall be contingent upon receipt by the Corporation of a written notice of exercise set forth in the applicable Award Agreement and of a form of cash payment acceptable to the Corporation for the full purchase price of the Shares to be issued. In the event that the expiry date of an SAR falls during a Blackout Period, the expiry date of such SAR shall automatically be extended to a date which is ten (10) Trading Days following the end of such Blackout Period, subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Corporation during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such SAR within ten (10) Trading Days following the end of the last imposed Blackout Period.

#### *Effect of Termination on SARs*

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Long-Term Incentive Plan, SARs shall be subject to the following conditions:

Death: Upon death of a Participant, any SARs held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 120 days after the date of death or prior to the expiration of the SARs, whichever is sooner, only to the extent the Participant was entitled to exercise the SARs at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation without cause, by voluntary termination, due to Retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SARs held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the SARs, whichever is sooner, only to the extent the Participant was entitled to exercise the SARs at the date of termination.

Disability: Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under the Long-Term Incentive Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement is terminated by the Corporation or a subsidiary of the Corporation due to disability, any SARs held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the SARs, whichever is sooner, only to the extent the Participant was entitled to exercise the SARs at the date of termination.

Directorships: Where a Participant ceases to be a Director for any reason, any SARs held by such Participant on the Cessation Date shall be exercisable for a period of 90 days (120 days in the event the Participant is afflicted with a Disability) after the Cessation Date or prior to the expiration of the SARs, whichever is sooner, only to the extent the Director was entitled to exercise the SARs at the Cessation Date.

Eligible Charitable Organizations: Where, in the case of Eligible Charitable Organizations, a Participant ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, any SARs held by such Participant on the Cessation Date shall be exercisable for a period of 90 days after the Cessation Date or prior to the expiration of the SARs, whichever is sooner, only to the extent the Eligible Charitable Organization was entitled to exercise the SARs at the Cessation Date.

#### *Description of Options*

An Option is an Award that gives a Participant the right to purchase one Share at a specified price in accordance with the terms of the Option and the Long-Term Incentive Plan. The exercise price of the Options shall be determined by the Board at the time the Option is granted but in no event shall such exercise price be lower than the Market Price permitted by the Exchange.

The Board shall determine the vesting, performance and other conditions, if any, that must be satisfied before all or part of an Option may be exercised. Unless otherwise determined by the Board, upon the occurrence of a Change of Control event, all Options shall become fully vested.

Options will be exercised pursuant to their applicable Award Agreement, which exercise shall be contingent upon receipt by the Corporation of a written notice of exercise set forth in the applicable Award Agreement and of a form of cash payment acceptable to the Corporation for the full purchase price of the Shares to be issued. In the event that the expiry date of an Option falls during a Blackout Period, the expiry date of such Option shall automatically be extended to a date which is ten (10) Trading Days following the end of such Blackout Period, subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Corporation during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) Trading Days following the end of the last imposed Blackout Period.

#### *Effect of Termination on Options*

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Long-Term Incentive Plan, Options shall be subject to the following conditions:

Death: Upon death of a Participant, any Options held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 120 days after the date of death or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of death of such Participant.

Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option shall be exercisable from the date of termination as determined by the Board.

Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Corporation or a subsidiary of the Corporation without cause, by voluntary termination, due to Retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Options held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Disability: Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under the Long-Term Incentive Plan will continue to vest in accordance with the terms of such Options. Where a Participant's employment or consulting agreement is terminated by the Corporation or a subsidiary of the Corporation due to disability, any Options held by such Participant at the date of termination shall be exercisable for a period of 120 days after the date of termination determined by the Board or prior to the expiration of the Option, whichever is sooner, only to the extent the Participant was entitled to exercise the Option at the date of termination.

Directorships: Where a Participant ceases to be a Director for any reason, any Options held by such Participant on the Cessation Date shall be exercisable for a period of 90 days (120 days in the event the Participant is afflicted with a Disability) after the Cessation Date or prior to the expiration of the Option, whichever is sooner, only to the extent the Director was entitled to exercise the Option at the Cessation Date.

Eligible Charitable Organizations: Where, in the case of Eligible Charitable Organizations, a Participant ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, any Options held by such Participant on the Cessation Date shall be exercisable for a period of 90 days after the Cessation Date or prior to the expiration of the Option, whichever is sooner, only to the extent the Eligible Charitable Organization was entitled to exercise the Option at the Cessation Date.

#### *Non-Transferability of Awards*

No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Corporation.

#### *Shareholder Approval of the Long-Term Incentive Plan*

The Corporation must obtain shareholder approval of the Long-Term Incentive Plan: (i) within three years after institution; and (ii) within every three years thereafter.

#### *Amendment and Termination of the Long-Term Incentive Plan*

The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue the Long-Term Incentive Plan and may amend the terms and conditions of any Awards granted thereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of shareholders in accordance with the rules and policies of the Exchange or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:

- a) amendments to fix typographical errors;
- b) amendments to clarify existing provisions of the Long-Term Incentive Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
- c) amendments that are necessary to comply with applicable law or the requirements of the Exchange.

If the Long-Term Incentive Plan is terminated, Awards granted or issued prior to the date of termination shall remain outstanding and in effect in accordance with their applicable terms and conditions.

#### *Amendments and Cancellation of Awards*

In accordance with the policies of the Exchange, the terms of an Award may not be amended once issued, unless otherwise approved by the Exchange and subject to compliance with applicable laws. In the event Exchange approval is received for the amendment of an Award, no amendment shall be made which would impair the rights of any Participant, without such Participant's consent, provided that no such consent shall be required if the amendment is: (a) either required or advisable in respect of compliance with any law, regulation or requirement of any accounting standard; or (b) not reasonably likely to significantly diminish the benefits provided under such Award. In accordance with the policies of the Exchange, if an Award is cancelled prior to its expiry date, the Corporation shall not grant new Awards to the same Participant until 30 days have elapsed from the date of cancellation.

### ***Long-Term Incentive Plan Resolution***

At the Meeting, the following resolution (the “**Long-Term Incentive Plan Resolution**”), with or without variation, will be placed before the shareholders:

“**BE IT RESOLVED**, as an ordinary resolution of the Corporation's shareholders, that:

- a) the “rolling up to 20%” long-term incentive plan of the Corporation (the “**Long-Term Incentive Plan**”), substantially in the form attached to the Information Circular of the Corporation dated August 18, 2025 (the “**Information Circular**”) as Schedule “C” is hereby approved and confirmed as the long-term incentive plan of the Corporation;
- b) in accordance with the policies of the Canadian Securities Exchange (“**Exchange**”), the Corporation will seek shareholder approval of the Long-Term Incentive Plan within three years from the date this resolution is approved;
- c) the Board or any director or officer is authorized to make amendments to the Long-Term Incentive Plan from time to time as required or deemed necessary by the Exchange or as the Board, or director or officer may, in its sole discretion, deem to be necessary, advisable or desirable, provided that such amendments are in compliance with the policies of the Exchange and applicable laws and will be subject to the approval of all applicable regulatory authorities; and
- d) any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, and to deliver or cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Corporation may be necessary, advisable or desirable to carry out the terms of the foregoing resolutions.”

Management recommends that shareholders vote in favour of the Long-Term Incentive Plan Resolution. **In the absence of instructions to the contrary, the enclosed form of proxy will be voted FOR the Long-Term Incentive Plan Resolution.**

### **MANAGEMENT CONTRACTS**

Except as disclosed in this Circular, there are no management functions of the Corporation, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Corporation.

## ADDITIONAL DOCUMENTATION

The Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario and consequently, has the obligation to file certain financial statements and additional documents with the securities regulatory authorities of such jurisdictions and to file an electronic copy of same with the SEDAR+ electronic filing system. Financial information regarding the Corporation is provided in the Corporation's audited financial statements and MD&A for the most recently completed financial year, a copy of which is available upon request addressed to the Corporate Secretary of the Corporation. The Corporation may request the payment of reasonable fees if the requesting party is not a security holder of the Corporation. These documents and additional information regarding the Corporation are also available under the Corporation's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## OTHER MATTERS

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

## SHAREHOLDER PROPOSALS

The CBCA provides that a registered holder or beneficial owner of Common Shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (a “**Proposal**”) and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The Corporation must set out the Proposal in its management information circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. The Corporation, however, will not be required to set out the Proposal in its management information circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation within the 60-day period that begins on the 150<sup>th</sup> day before the anniversary of the previous annual meeting of shareholders of the Corporation.

The foregoing is a summary only. Shareholders should carefully review the provisions of the CBCA relating to Proposals and consult with a legal advisor.

## DIRECTORS' APPROVAL

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

**DATED** at Vancouver, British Columbia, this 18<sup>th</sup> day of August, 2025.

## BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Alain Lambert*”

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Alain Lambert  
CEO and Director



**Schedule “A”**

**Proposed BCBCA Articles**

(See attached)

*Incorporation number:* \_\_\_\_\_

**AZ EXPLORATION INC.  
(the "Company")**

The Company has as its articles the following articles.

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## **1. INTERPRETATION**

### **1.1 Definitions**

In these Articles, unless the context otherwise requires:

- (1) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;
- (2) "*Business Corporations Act*" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) "*Interpretation Act*" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder;
- (5) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (6) "seal" means the seal of the Company, if any.

### **1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable**

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were set out herein. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## **2. SHARES AND SHARE CERTIFICATES**

### **2.1 Authorized Share Structure**

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### **2.2 Form of Share Certificate**

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### **2.3 Shareholder Entitled to Certificate or Acknowledgment or Written Notice**

Unless the shares of which a shareholder is the registered owner are uncertificated shares, each shareholder is entitled, on request and at the shareholder's option, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all. Within a reasonable time after the issue or transfer of a share that is an uncertificated share, the Company must send to the shareholder a written notice containing the information required by the *Business Corporations Act*.

### **2.4 Delivery by Mail**

Any share certificate, non-transferable written acknowledgment of a shareholder's right to obtain a share certificate or written notice of the issue or transfer of an uncertificated share may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate, acknowledgement or written notice is lost in the mail or stolen.

### **2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement**

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

### **2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment**

If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgment, as the case may be, must be issued to the person entitled to that share certificate or acknowledgment, as the case may be, provided such person has complied with the requirements of the *Business Corporations Act*.

### **2.7 Splitting Share Certificates**

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

## **2.8 Certificate Fee**

There must be paid as a fee to the Company for the issuance of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any, determined by the directors, which must not exceed the amount prescribed under the *Business Corporations Act*.

## **2.9 Recognition of Trusts**

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

## **3. ISSUE OF SHARES**

### **3.1 Directors Authorized**

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

### **3.2 Commissions and Discounts**

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

### **3.3 Brokerage**

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

### **3.4 Conditions of Issue**

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
  - (a) past services performed for the Company;

- (b) property;
  - (c) money; and
- (2) the directors in their discretion have determined that the value of the consideration received by the Company is equal to or greater than the issue price set for the share under Article 3.1.

### **3.5 Share Purchase Warrants and Rights**

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options, convertible debentures and rights upon such terms and conditions as the directors determine, which share purchase warrants, options, convertible debentures and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

## **4. SHARE REGISTERS**

### **4.1 Central Securities Register and Any Branch Securities Register**

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register and may maintain a branch securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register or any branch securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

### **4.2 Closing Register**

The Company must not at any time close its central securities register.

## **5. SHARE TRANSFERS**

### **5.1 Registering Transfers**

A transfer of a share of the Company must not be registered unless the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

- (1) a duly signed instrument of transfer in respect of the share;
- (2) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate;
- (3) if a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment; and

- (4) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, the due signing of the instrument of transfer and the right of the transferee to have the transfer registered.

For the purpose of this Article, delivery or surrender to the transfer agent or registrar which maintains the Company's central securities register or a branch securities register, if applicable, will constitute receipt by or surrender to the Company.

## **5.2 Form of Instrument of Transfer**

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved from time to time by the directors or the transfer agent or registrar for the class or series of share to be transferred.

## **5.3 Transferor Remains Shareholder**

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

## **5.4 Signing of Instrument of Transfer**

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificate(s) or set out in the written acknowledgments deposited with the instrument of transfer or, if the shares are uncertificated shares, then all of the uncertificated shares registered in the name of the shareholder:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

## **5.5 Enquiry as to Title Not Required**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

## **5.6 Transfer Fee**

There must be paid as a fee to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

## **6. TRANSMISSION OF SHARES**

### **6.1 Legal Personal Representative Recognized on Death**

In case of the death of a shareholder, the legal personal representative of the shareholder, or, in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of the shareholder, the directors may require a declaration of transmission made by the legal personal representative stating the particulars of the transmission, proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

### **6.2 Rights of Legal Personal Representative**

The legal personal representative of a shareholder has the same rights, privileges and obligations with respect to the shares as were held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

## **7. PURCHASE OF SHARES**

### **7.1 Company Authorized to Purchase Shares**

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by resolution of the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

### **7.2 Purchase When Insolvent**

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.



### **7.3 Redemption of Shares**

If the Company proposes to redeem some but not all of the shares of any class, the directors may, subject to any special rights and restrictions attached to such class of shares, determine the manner in which the shares to be redeemed shall be selected.

### **7.4 Sale and Voting of Purchased Shares**

If the Company retains a share which it has redeemed, purchased or otherwise acquired, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

## **8. BORROWING POWERS**

### **8.1 Powers of the Company**

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

### **8.2 Bonds, Debentures, Debt**

Any bonds, debentures or other debt obligations of the Company may be issued at a discount, premium or otherwise, or with special privileges as to redemption, surrender, drawing, allotment of or conversion into or exchange for shares or other securities, attending and voting at general meetings of the Company, appointment of directors or otherwise and may, by their terms, be assignable free from any equities between the Company and the person to whom they were issued or any subsequent holder thereof, all as the directors may determine.

## **9. ALTERATIONS**

### **9.1 Alteration of Authorized Share Structure**

Subject to Article 9.2 and the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors:
  - (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
  - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
  - (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
  - (d) if the Company is authorized to issue shares of a class of shares with par value:
    - (i) decrease the par value of those shares; or
    - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
  - (e) change all or any of its unissued shares with par value into shares without par value or any of its unissued shares without par value into shares with par value or change all or any of its fully paid issued shares with par value into shares without par value; or
  - (f) alter the identifying name of any of its shares; and
- (2) by ordinary resolution otherwise alter its shares or authorized share structure;

and, if applicable, alter its Notice of Articles and, if applicable, alter its Articles accordingly.

### **9.2 Special Rights and Restrictions**

Subject to the *Business Corporations Act*, the Company may:

- (1) by directors' resolution or by ordinary resolution, in each case as determined by the directors, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares if none of those shares have been issued; or vary or delete any special rights or restrictions attached to the shares of any class or series of shares if none of those shares have been issued; and
- (2) by special resolution of the shareholders of the class or series affected, do any of the acts in (1) above if any of the shares of the class or series of shares have been issued,

and alter its Notice of Articles and Articles accordingly.

### **9.3 Change of Name**

The Company may by directors' resolution or by ordinary resolution, in each case as determined by the directors, authorize an alteration of its Notice of Articles in order to change its name and may, by directors' resolution or ordinary resolution, in each case as determined by the directors, adopt or change any translation of that name.

### **9.4 Other Alterations**

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by directors' resolution or by ordinary resolution, in each case as determined by the directors, alter these Articles.

## **10. MEETINGS OF SHAREHOLDERS**

### **10.1 Annual General Meetings**

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by a resolution of the directors.

### **10.2 Resolution Instead of Annual General Meeting**

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

### **10.3 Calling of Meetings of Shareholders**

The directors may, at any time, call a meeting of shareholders.

### **10.4 Location of Meetings of Shareholders**

A meeting of the Company may be held:

- (1) in the Province of British Columbia;
- (2) at another location outside British Columbia if that location is:
  - (a) approved by resolution of the directors before the meeting is held; or
  - (b) approved in writing by the Registrar of Companies before the meeting is held.

### **10.5 Notice for Meetings of Shareholders**

Subject to Article 10.2, the Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by directors' resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

### **10.6 Notice of Resolution to which Shareholders May Dissent**

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days; or
- (2) otherwise, 10 days.

### **10.7 Record Date for Notice**

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days; or
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

### **10.8 Record Date for Voting**

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the

meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

#### **10.9 Failure to Give Notice and Waiver of Notice**

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or may agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

#### **10.10 Notice of Special Business at Meetings of Shareholders**

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting or a circular prepared in connection with the meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

### **11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

#### **11.1 Special Business**

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
  - (a) business relating to the conduct of or voting at the meeting;
  - (b) consideration of any financial statements of the Company presented to the meeting;
  - (c) consideration of any reports of the directors or auditor;

- (d) the setting or changing of the number of directors;
- (e) the election or appointment of directors;
- (f) the appointment of an auditor;
- (g) the setting of the remuneration of an auditor;
- (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
- (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

### **11.2 Special Majority**

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

### **11.3 Quorum**

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one person present or represented by proxy.

### **11.4 Persons Entitled to Attend Meeting**

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxyholder entitled to vote at the meeting.

### **11.5 Requirement of Quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

### **11.6 Lack of Quorum**

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

#### **11.7 Lack of Quorum at Succeeding Meeting**

If, at the meeting to which the meeting referred to in Article 11.6(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the meeting shall be terminated.

#### **11.8 Chair**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

#### **11.9 Selection of Alternate Chair**

If, at any meeting of shareholders, there is no chair of the board or president willing to act as chair of the meeting or present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose a director, officer or corporate counsel to be chair of the meeting or if none of the above persons are present or if they decline to take the chair, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

#### **11.10 Adjournments**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **11.11 Notice of Adjourned Meeting**

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

#### **11.12 Decisions by Show of Hands or Poll**

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by

show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

#### **11.13 Declaration of Result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.12, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### **11.14 Motion Need Not be Seconded**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

#### **11.15 Casting Vote**

In case of an equality of votes, the chair of a meeting of shareholders, either on a show of hands or on a poll, does not have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

#### **11.16 Manner of Taking Poll**

Subject to Article 11.17, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
  - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
  - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

#### **11.17 Demand for Poll on Adjournment**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.



### **11.18 Chair Must Resolve Dispute**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

### **11.19 Casting of Votes**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

### **11.20 No Demand for Poll on Election of Chair**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

### **11.21 Demand for Poll Not to Prevent Continuance of Meeting**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### **11.22 Retention of Ballots and Proxies**

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

## **12. VOTES OF SHAREHOLDERS**

### **12.1 Number of Votes by Shareholder or by Shares**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

### **12.2 Votes of Persons in Representative Capacity**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

### **12.3 Votes by Joint Holders**

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of shareholders, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

### **12.4 Legal Personal Representatives as Joint Shareholders**

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

### **12.5 Representative of a Corporate Shareholder**

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must be received:
  - (a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
  - (b) by the chair of the meeting at the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
  - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
  - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages. Notwithstanding the foregoing, a corporation that is a shareholder may appoint a proxy holder.

## **12.6 Proxy Provisions Do Not Apply to All Companies**

Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

## **12.7 Appointment of Proxy Holders**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint up to two proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

## **12.8 Alternate Proxy Holders**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

## **12.9 When Proxy Holder Need Not Be Shareholder**

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

## **12.10 Deposit of Proxy**

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or any adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

### **12.11 Validity of Proxy Vote**

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given or has been taken.

### **12.12 Form of Proxy**

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

*[name of company]*  
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

\_\_\_\_\_  
Signed [month, day, year]

\_\_\_\_\_  
[Signature of shareholder]

\_\_\_\_\_  
[Name of shareholder—printed]

### **12.13 Revocation of Proxy**

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

#### **12.14 Revocation of Proxy Must Be Signed**

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

#### **12.15 Production of Evidence of Authority to Vote**

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

### **13. DIRECTORS**

#### **13.1 First Directors; Number of Directors**

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:
  - (a) the number of directors elected by ordinary resolution (whether or not previous notice of the resolution was given); and
  - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
  - (a) the number of directors elected by ordinary resolution (whether or not previous notice of the resolution was given); and
  - (b) the number of directors set under Article 14.4.

### **13.2 Change in Number of Directors**

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

### **13.3 Directors' Acts Valid Despite Vacancy**

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

### **13.4 Qualifications of Directors**

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

### **13.5 Remuneration of Directors**

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

### **13.6 Reimbursement of Expenses of Directors**

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

### **13.7 Special Remuneration for Directors**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

### **13.8 Gratuity, Pension or Allowance on Retirement of Director**

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director or to his or her spouse or

dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

#### **14. ELECTION AND REMOVAL OF DIRECTORS**

##### **14.1 Election at Annual General Meeting**

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) those directors whose term of office expires at the annual general meeting cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

##### **14.2 Consent to be a Director**

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

##### **14.3 Failure to Elect or Appoint Directors**

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) when his or her successor is elected or appointed; and
- (4) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

#### **14.4 Places of Retiring Directors Not Filled**

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

#### **14.5 Directors May Fill Casual Vacancies**

Any casual vacancy occurring in the board of directors may be filled by the directors.

#### **14.6 Remaining Directors' Power to Act**

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

#### **14.7 Shareholders May Fill Vacancies**

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

#### **14.8 Additional Directors**

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

#### **14.9 Ceasing to be a Director**

A director ceases to be a director when:



- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

#### **14.10 Removal of Director by Shareholders**

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

#### **14.11 Removal of Director by Directors**

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

### **15. ALTERNATE DIRECTORS**

#### **15.1 Appointment of Alternate Director**

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

#### **15.2 Notice of Meetings**

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

#### **15.3 Alternate for More Than One Director Attending Meetings**

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity; and
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

#### **15.4 Consent Resolutions**

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

#### **15.5 Alternate Director Not an Agent**

Every alternate director is deemed not to be the agent of his or her appointor.

#### **15.6 Revocation of Appointment of Alternate Director**

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

#### **15.7 Ceasing to be an Alternate Director**

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

#### **15.8 Remuneration and Expenses of Alternate Director**

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from

the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

## **16. POWERS AND DUTIES OF DIRECTORS**

### **16.1 Powers of Management**

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

### **16.2 Appointment of Attorney of Company**

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

## **17. INTERESTS OF DIRECTORS AND OFFICERS**

### **17.1 Obligation to Account for Profits**

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

### **17.2 Restrictions on Voting by Reason of Interest**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

### **17.3 Interested Director Counted in Quorum**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or

transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

#### **17.4 Disclosure of Conflict of Interest or Property**

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

#### **17.5 Director Holding Other Office in the Company**

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

#### **17.6 No Disqualification**

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

#### **17.7 Professional Services by Director or Officer**

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

#### **17.8 Director or Officer in Other Corporations**

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

### **18. PROCEEDINGS OF DIRECTORS**

#### **18.1 Meetings of Directors**

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

## **18.2 Voting at Meetings**

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

## **18.3 Chair of Meetings**

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board or if designated by the chair, the president, a director or other officer; or
- (3) any other director or officer chosen by the directors if:
  - (a) neither the chair of the board nor the president is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (b) neither the chair of the board nor the president is willing to chair the meeting; or
  - (c) the chair of the board and the president have advised the secretary, if any, or any other director, that they will not be present at the meeting.

## **18.4 Meetings by Telephone or Other Communications Medium**

A director may participate in a meeting of the directors or of any committee of the directors:

- (1) in person;
- (2) by telephone; or
- (3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

## **18.5 Calling of Meetings**

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

### **18.6 Notice of Meetings**

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

### **18.7 When Notice Not Required**

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

### **18.8 Meeting Valid Despite Failure to Give Notice**

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

### **18.9 Waiver of Notice of Meetings**

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director. Attendance of a director or alternate director at a meeting of directors is a waiver of notice of the meeting unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### **18.10 Quorum**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at a majority of directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

### **18.11 Validity of Acts Where Appointment Defective**

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

### **18.12 Consent Resolutions in Writing**

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article may be by signed document, fax, e-mail or any other method of transmitting legibly recorded messages. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## **19. EXECUTIVE AND OTHER COMMITTEES**

### **19.1 Appointment and Powers of Executive Committee**

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

### **19.2 Appointment and Powers of Other Committees**

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
  - (a) the power to fill vacancies in the board of directors;

- (b) the power to remove a director;
  - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
  - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

### **19.3 Obligations of Committees**

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times and in such manner and form as the directors may require.

### **19.4 Powers of Board**

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

### **19.5 Committee Meetings**

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.



## **20. OFFICERS**

### **20.1 Directors May Appoint Officers**

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

### **20.2 Functions, Duties and Powers of Officers**

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

### **20.3 Qualifications**

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

### **20.4 Remuneration and Terms of Appointment**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

## **21. INDEMNIFICATION**

### **21.1 Definitions**

In this Article 21:

- (1) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
  - (a) is or may be joined as a party; or

(b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(3) "expenses" has the meaning set out in the *Business Corporations Act*.

## **21.2 Mandatory Indemnification of Eligible Parties**

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

## **21.3 Indemnification**

Subject to any restrictions in the *Business Corporations Act* and these Articles, the Company may indemnify any person.

## **21.4 Non-Compliance with *Business Corporations Act***

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles or, if applicable, any former *Companies Act* or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part.

## **21.5 Company May Purchase Insurance**

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;  
or
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

## **22. DIVIDENDS**

### **22.1 Payment of Dividends Subject to Special Rights**

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

### **22.2 Declaration of Dividends**

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

### **22.3 No Notice Required**

The directors need not give notice to any shareholder of any declaration under Article 22.2.

### **22.4 Record Date**

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

### **22.5 Manner of Paying Dividend**

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

### **22.6 Settlement of Difficulties**

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

### **22.7 When Dividend Payable**

Any dividend may be made payable on such date as is fixed by the directors.

## **22.8 Dividends to be Paid in Accordance with Number of Shares**

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

## **22.9 Receipt by Joint Shareholders**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

## **22.10 Dividend Bears No Interest**

No dividend bears interest against the Company.

## **22.11 Fractional Dividends**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

## **22.12 Payment of Dividends**

Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

## **22.13 Capitalization of Retained Earnings or Surplus**

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

## **23. ACCOUNTING RECORDS AND AUDITORS**

### **23.1 Recording of Financial Affairs**

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

## **23.2 Inspection of Accounting Records**

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

## **23.3 Remuneration of Auditors**

The directors may set the remuneration of the auditors. If the directors so decide, the remuneration of the auditors will be determined by the shareholders.

## **24. NOTICES**

### **24.1 Method of Giving Notice**

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record (for the purposes of this Article 24, a "record") required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
  - (a) for a record mailed to a shareholder, the shareholder's registered address;
  - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class; or
  - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
  - (a) for a record delivered to a shareholder, the shareholder's registered address;
  - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class; or
  - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) making the record available for public electronic access in accordance with the procedures referred to as "notice-and-access" under National Instrument 54-101 and National

Instrument 51-102, as applicable, of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation from time to time; or

- (6) physical delivery to the intended recipient.

#### **24.2 Deemed Receipt**

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day (Saturdays, Sundays and holidays excepted) following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed;
- (3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the date it was e-mailed; and
- (4) made available for public electronic access in accordance with the "notice-and-access" or similar delivery procedures referred to in Article 24.1(5) is deemed to be received by a person on the date it was made available for public electronic access.

#### **24.3 Certificate of Sending**

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

#### **24.4 Notice to Joint Shareholders**

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

#### **24.5 Notice to Legal Personal Representatives and Trustees**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
  - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and

- (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

#### **24.6 Undelivered Notices**

If on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

### **25. SEAL**

#### **25.1 Who May Attest Seal**

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

#### **25.2 Sealing Copies**

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

#### **25.3 Mechanical Reproduction of Seal**

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures

or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

## **26. PROHIBITIONS**

### **26.1 Definitions**

In this Article 26:

- (1) "designated security" means:
  - (a) a voting security of the Company;
  - (b) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
  - (c) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (2) "security" has the meaning assigned in the *Securities Act* (British Columbia);
- (3) "voting security" means a security of the Company that:
  - (a) is not a debt security, and
  - (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

### **26.2 Application**

Article 26.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

### **26.3 Consent Required for Transfer of Shares or Designated Securities**

No share or designated security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.



## Schedule “B”

### Section 190 of the Canada Business Corporations Act

**190. (1) Right to dissent** - Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

(2) **Further right** - A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(2.1) **If one class of shares** - The right to dissent described in subsection (2) applies even if there is only one class of shares.

(3) **Payment for shares** - In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) **No partial dissent** - A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) **Objection** - A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

(6) **Notice of resolution** - The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

(7) **Demand for payment** - A dissenting shareholder shall, within twenty days after he receives a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

(8) **Share certificate** - A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) **Forfeiture** - A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) **Endorsing certificate** - A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) **Suspension of rights** - On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) **Offer to pay** - A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) **Same terms** - Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) **Payment** - Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

(15) **Corporation may apply to court** - Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) **Shareholder application to court** - If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) **Venue** - An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

(18) **No security for costs** - A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) **Parties** - On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) **Powers of court** - On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) **Appraisers** - A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

(22) **Final order** - The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

(23) **Interest** - A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

(24) **Notice that subsection (26) applies** - If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) **Effect where subsection (26) applies** - If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(26) **Limitation** - A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

**Schedule “C”**

**Long-Term Incentive Plan**

(See attached)

## LONG-TERM INCENTIVE PLAN

### PRISMO METALS INC. (the "Company")

#### SECTION 1 ESTABLISHMENT AND PURPOSE OF THE PLAN

The Company wishes to establish this long-term incentive plan ("**Plan**"). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

This Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options to Eligible Persons, as further described herein.

This Plan is a "**rolling up to 20%**" security based compensation plan, permitting outstanding Incentive Securities in a maximum aggregate amount that is equal to twenty percent (20%) of the issued and outstanding Shares at the date of any Award, pursuant to which (i) the aggregate number of Shares that are issuable pursuant to the exercise of Options granted under this Plan or pursuant to any other Security Based Compensation Plan (as such term is defined below) shall not exceed ten percent (10%) of the issued and outstanding Shares as at the date of any Option grant; and (ii) the aggregate number of Shares that are issuable pursuant to the settlement of RSUs, PSUs and DSUs or exercise of SARs granted under this Plan or pursuant to any other Security Based Compensation Plan shall not exceed ten percent (10%) of the issued and outstanding Shares as at the date of any grant of RSUs, PSUs, DSUs or SARs.

#### SECTION 2 DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) "**Award**" means any award of RSUs, PSUs, DSUs, SARs or Options granted under this Plan or the Prior Plan;
- (b) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan or the Prior Plan;
- (c) "**Board**" means the board of directors of the Company;
- (d) "**Blackout Period**" means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of publicly undisclosed material information pertaining to the Company;
- (e) "**Cessation Date**" means the effective date on which a Participant ceases to be an Eligible Person for any reason;

- (f) **"Change of Control"** means the occurrence of any one or more of the following events:
- (i) a reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;
  - (ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
  - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
  - (iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or
  - (v) any person, entity or group of persons or entities acting jointly or in concert (an **"Acquiror"**) acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company 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 to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, **"Voting Securities"** means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but 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;

- (g) **"Charitable Organization"** means "charitable organization" as defined in the Tax Act;
- (h) **"Committee"** means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;

- (i) **"Company"** means Prismo Metals Inc., a company incorporated under the *Canada Business Corporations Act*, and any of its successors;
- (j) **"Consultant"** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or of any subsidiary of the Company) or entity that:
  - (i) is engaged to provide services to the Company or any subsidiary of the Company, other than services provided in relation to a distribution (as such term defined in the Securities Act);
  - (ii) provides the services under a written contract with the Company or any subsidiary of the Company; and
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any subsidiary of the Company;
- (k) **"Deferred Share Unit" or "DSU"** means a right to receive on a deferred basis, in the Board's discretion, a payment in Shares or cash as provided in Section 5.3 hereof and subject to the terms and conditions of this Plan or the Prior Plan and the applicable Award Agreement;
- (l) **"Determination Date"** means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (m) **"Director"** means a director of the Company or a subsidiary of the Company, or an individual performing a similar function or occupying a similar position for the Company or a subsidiary of the Company;
- (n) **"Disability"** means any disability with respect to a Participant which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Participant from:
  - (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - (ii) acting as a Director or Officer;
- (o) **"DSU Payment Date"** has the meaning set out in Subsection 5.3.5;
- (p) **"Effective Date"** has the meaning set out in Section 8;
- (q) **"Election Form"** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;
- (r) **"Eligible Charitable Organization"** means:

- (i) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation; or
- (ii) a Registered National Arts Service Organization;
- (s) **"Eligible Person"** means a Director, Officer, Employee, Management Company Employee, Consultant of the Company or a subsidiary of the Company or Eligible Charitable Organization;
- (t) **"Employee"** means:
  - (i) an individual who is considered an employee of the Company or a subsidiary of the Company under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (ii) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company or a subsidiary of the Company over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis, providing services normally provided by an employee and who is subject to the same control and direction by the Company or a subsidiary of the Company over the details and methods of work as an employee of the Company or the subsidiary, as the case may be, but for whom income tax deductions are not made at source.
- (u) **"Exchange"** means the Canadian Securities Exchange, and, if applicable, any other stock exchange on which the Shares are listed;
- (v) **"Extension Period"** has the meaning set out in Section 5.4.5;
- (w) **"Fees"** means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (x) **"Grant Date"** means, for any Award, the date specified in an Award Agreement as the date on which an Award is granted;
- (y) **"Incentive Securities"** means the Options, DSUs, RSUs, PSUs and SARs issuable to any Participant under this Plan or the Prior Plan;
- (z) **"Initial Shareholder Approval"** has the meaning set out in Section 8;
- (aa) **"Investor Relations Activities"** means "Investor Relations Activities" as defined in Policy 1 of the Canadian Securities Exchange;

- (bb) **"Investor Relations Service Provider"** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (cc) **"Management Company Employee"** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company;
- (dd) **"Market Price"** means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the minimum price permitted by such Exchange and, while the Company is listed on the Canadian Securities Exchange such price shall not be less than the greater of: (i) \$0.05; (ii) the closing market price per Share on the Trading Day prior to the Grant Date; and (iii) the closing market price per Share on the Grant Date, with respect to the pricing of Options.
- (ee) **"Officer"** means:
  - (i) the chair or vice chair of the board of directors, or the chief executive officer, chief operating officer, chief financial officer, president, vice president, secretary, assistant secretary, treasurer, assistant treasurer or general manager of the Company or a subsidiary of the Company;
  - (ii) an individual who is designated as an officer under a bylaw or similar authority of the Company or a subsidiary of the Company, or
  - (iii) an individual who performs functions similar to those normally performed by an individual referred to in paragraphs (i) or (ii) directly above;
- (ff) **"Option"** means an option to purchase Shares granted pursuant to, or governed by, this Plan or the Prior Plan;
- (gg) **"Prior Plan"** means the Company's long-term incentive plan adopted by the Board on August 31, 2022;
- (hh) **"Participant"** means any Eligible Person to whom Awards are granted;
- (ii) **"Participant's Account"** means a notional account maintained for each Participant's participation in this Plan which will show any Incentive Securities credited to a Participant from time to time;
- (jj) **"Performance Criteria"** means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the PSUs;
- (kk) **"Performance Cycle"** means the applicable performance cycle of the PSUs as may be specified by the Board in the applicable Award Agreement;



- (ll) **"Performance Share Unit" or "PSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan or the Prior Plan and the applicable Award Agreement;
- (mm) **"Person"** means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (nn) **"Private Foundation"** means "private foundation" as defined in the Tax Act;
- (oo) **"Public Foundation"** means "public foundation" as defined in the Tax Act;
- (pp) **"Registered Charity"** means "registered charity" as defined in the Tax Act;
- (qq) **"Registered National Arts Service Organization"** means "registered national arts service organization" as defined in the Tax Act;
- (rr) **"Related Person"** means a person or an entity who, with respect to the Company, qualifies as a "related person" (as such term is defined under Section 2.22 of National Instrument 45-106 – *Prospectus Exemptions*);
- (ss) **"Restriction Period"** means the time period between the Grant Date and the Vesting Date of an Award of RSUs specified by the Board in the applicable Award Agreement, which is subject to the requirements of this Plan with respect to vesting;
- (tt) **"Restricted Share Unit" or "RSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.1 hereof and subject to the terms and conditions of this Plan or the Prior Plan and the applicable Award Agreement;
- (uu) **"Retirement"** means retirement from active employment with the Company or a subsidiary of the Company with the consent of an Officer;
- (vv) **"SAR Amount"** has the meaning set out in Subsection 5.5.3;
- (ww) **"SAR Grant Price"** has the meaning set out in Subsection 5.5.2;
- (xx) **"Security Based Compensation Plans"** has the meaning set out in Subsection 4.1.1;
- (yy) **"Securities Act"** means the *Securities Act* (British Columbia), as amended from time to time;
- (zz) **"Shares"** means the common shares of the Company;
- (aaa) **"Stock Appreciation Right" or "SAR"** means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.5 hereof and subject to the terms and conditions of this Plan or the Prior Plan and the applicable Award Agreement;
- (bbb) **"Tax Act"** means the *Income Tax Act* (Canada), as amended from time to time;

- (ccc) **"Trading Day"** means any date on which the Canadian Securities Exchange (or other Exchange if the Shares are not listed on the Canadian Securities Exchange) is open for trading; and
- (ddd) **"Vesting Date"** means, for any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement.

### SECTION 3 ADMINISTRATION

- 3.1 BOARD TO ADMINISTER PLAN. Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.
- 3.2 DELEGATION TO COMMITTEE. All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- 3.3 INTERPRETATION. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company, subject to any required approval of the Exchange.
- 3.4 NO LIABILITY. No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

### SECTION 4 SHARES AVAILABLE FOR AWARDS

- 4.1 LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.
- 4.1.1 The maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under this Plan and all of the Company's other previously established or proposed security based compensation plans (collectively, **"Security Based Compensation Plans"**), at any point in time, shall not exceed:
- (a) with respect to a grant of Options, ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time; and
  - (b) with respect to a grant of DSUs, RSUs, PSUs and SARs, ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time.

- 4.1.2 The maximum aggregate number of Shares issuable to any one Related Person at any point in time, in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed five percent (5%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval.
  - 4.1.3 The maximum aggregate number of Shares issuable to all Related Persons at any point in time, in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval.
  - 4.1.4 The maximum aggregate number of Shares issuable to any one Related Person and the Associates of the Related Person, in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any twelve (12) month period, shall not exceed five percent (5%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval.
  - 4.1.5 The maximum aggregate number of Shares issuable to all Related Persons in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any twelve (12) month period, shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval.
  - 4.1.6 The maximum aggregate number of Shares issuable to all Investor Relations Service Providers in respect of all Incentive Securities granted or issued under Security Based Compensation Plans in any twelve (12) month period, shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.
- 4.2 ACCOUNTING FOR AWARDS.
- 4.2.1 The number of Shares underlying an Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting or issuing Awards under this Plan. For the purposes of calculating the number of Shares reserved for issuance under this Plan, each Option and each SAR shall be counted as reserving one Share under the Plan, and notwithstanding that the settlement of any RSU, DSU and PSU may be completed in cash, each RSU, DSU and PSU shall, in each case, be counted as reserving one Share under this Plan.
  - 4.2.2 As this Plan is an evergreen plan, the number of Incentive Securities issuable under this Plan will replenish in an amount equal to the number of Shares issued pursuant to the exercise or vesting, as applicable, of such Incentive Securities at any point in time. Notwithstanding anything herein to the contrary, any Shares related to Awards which have been settled in cash, cancelled, surrendered, forfeited, expired or otherwise terminated without the issuance of such Shares shall be available again for granting Awards under this Plan.

- 4.3 **ADJUSTMENTS.** If the number of outstanding Shares is increased or decreased as a result of a Share split or consolidation, or any adjustment is required to an Award granted or issued under this Plan pursuant to an amalgamation, merger, arrangement, reorganization, recapitalization, spin-off, dividend or other distribution, the Board may make appropriate adjustments, in accordance with the terms of this Plan, the policies of the Exchange, and applicable laws, to the number and price (or other basis upon which an Award is measured) of Incentive Securities credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.
- 4.4 **PRIOR PLAN.** As of the Effective Date, Awards which are outstanding under the Prior Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of the Prior Plan under which such Awards were originally granted, in which case the Prior Plan shall govern.
- 4.5 **RESALE RESTRICTIONS.** All Incentive Securities shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Incentive Securities and Shares underlying Incentive Securities must be subject to a hold period of four (4) months commencing on the date of distribution of the applicable Incentive Security unless written approval to issue the Incentive Security without the hold period is obtained from the Exchange, and the Award Agreement shall contain any applicable resale restriction or hold period.
- 4.6 **BONA FIDE PARTICIPANTS.** In respect of Awards granted to Employees, Consultants or Management Company Employees, the Company and the Participant is representing herein and in the applicable Award Agreement that the Participant is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or a subsidiary of the Company. The execution of an Award Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

## **SECTION 5. AWARDS**

### **5.1 RESTRICTED SHARE UNITS**

- 5.1.1 **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs to Eligible Persons who are not Eligible Charitable Organizations. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.
- 5.1.2 **RESTRICTIONS.** RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions

and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.

- 5.1.3 VESTING. All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.
- 5.1.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Subsection 5.1.9.
- 5.1.5 DEATH. Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Subsection 5.1.9 hereof.
- 5.1.6 TERMINATION OF EMPLOYMENT OR SERVICE.
  - (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
  - (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, Retirement or termination of agreement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.
- 5.1.7 DISABILITY. Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the

Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

5.1.8 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any RSUs granted to such Participant which, prior to the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

5.1.9 PAYMENT OF AWARD. As soon as practicable after each Vesting Date of an Award of RSUs, and subject to the applicable Award Agreement, the Company shall issue from treasury to the Participant, or if Subsection 5.1.5 applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement.

## 5.2 PERFORMANCE SHARE UNITS

5.2.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of PSUs to Eligible Persons who are not Eligible Charitable Organizations. PSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of PSUs to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each PSU shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of PSUs granted pursuant to an Award, the Performance Criteria that must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable Award Agreement.

5.2.2 PERFORMANCE CRITERIA. The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without

limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the original Performance Criteria unfair or inappropriate unless a revision is made. Notices will be provided by the Company to the Exchange, if required, with respect to the foregoing.

- 5.2.3 VESTING. All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which shall be made by the Board on the Determination Date.
- 5.2.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Subsection 5.2.9 hereof.
- 5.2.5 DEATH. Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.6 TERMINATION OF EMPLOYMENT OR SERVICE.
  - (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
  - (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set

forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

- 5.2.7 **DISABILITY.** Where a Participant becomes afflicted by a Disability, all PSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such PSUs, provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant under this Plan that have not vested will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.8 **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any PSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.9 **PAYMENT OF AWARD.** Subject to the applicable Award Agreement, payment to Participants in respect of vested PSUs shall be made after the Determination Date for the applicable Award and in any case within ninety (90) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement. The Company shall issue from treasury to the Participant, or if Subsection 5.2.5 applies, to the Participant's estate, a number of Shares equal to the number of PSUs that have vested. As of the Vesting Date, the PSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such PSUs.
- 5.2.10 **PERFORMANCE EVALUATION; ADJUSTMENT OF GOALS.** At the time that a PSU is first issued, the Board, in the Award Agreement or in another written document, may specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the



write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; (G) foreign exchange gains and losses; and (H) other extraordinary events having a similar impact on a Participant's ability to satisfy Performance Criteria, as determined in the discretion of the Board.

- 5.2.11 ADJUSTMENT OF PERFORMANCE SHARE UNITS. The Board shall have the sole discretion to adjust the determination of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant PSU. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any PSU that will increase the amount payable under any such PSU. The Board shall retain the sole discretion to adjust PSUs downward or to otherwise reduce the amount payable with respect to any Award of PSUs.

### 5.3 DEFERRED SHARE UNITS

- 5.3.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of DSUs to Eligible Persons. DSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each DSU shall, contingent upon the occurrence of the applicable vesting criteria, represent one (1) Share. Each DSU grant shall be evidenced by an Award Agreement that shall specify the number of DSUs granted pursuant to an Award and the vesting criteria in respect of such DSUs, and any other provisions as the Board shall determine, including, but not limited to the specification that the Board will pay cash equal to the value of the vested Shares upon settlement of the Award in lieu of any settlement by issuance of Shares pursuant to Subsection 5.3.5. In the absence of any specification of the method of settlement in the Award Agreement, any Award of DSUs may be settled in either Shares or cash in the Board's discretion.
- 5.3.2 ELECTION BY DIRECTORS. Each Director may elect to receive any part or all of his or her Fees in DSUs under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in DSUs shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Participant during a fiscal year and wishes to receive an amount of his or her Fees for the remainder of that year in DSUs must make his or her election within 60 days of becoming a Director.
- 5.3.3 CALCULATION. In the case of an election by a Director, the number of DSUs to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form by the Market Price on the Grant Date, or if more appropriate, another trading range that best represents the period for

which the award was earned (subject to minimum pricing requirements of the Exchange). If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional DSU, the Participant shall only be credited with a full number of DSUs (rounded down) and no payment or other adjustment will be made with respect to the fractional DSU.

5.3.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all DSUs granted to a Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with Subsection 5.3.5 hereof.

5.3.5 PAYMENT OF AWARD. After the effective date that the Participant ceases to be an Eligible Person for any reason or any earlier vesting period(s) as may be set forth in the applicable Award Agreement, each Participant shall be entitled to receive on the DSU Payment Date that number of Shares equal to the number of DSUs credited to the Participant's Account, such Shares to be issued from treasury of the Company, or, as otherwise determined by the Board, a cash amount equal to the value of the vested Shares. The aforementioned payment will occur on the date (the "**DSU Payment Date**") that is one of two (2) dates designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date as the Participant and the Company may agree, which dates shall be no earlier than then ninetieth (90) day following the year of the Cessation Date and no later than the end of the calendar year following the year of the Cessation Date, or any earlier period in which the DSUs vested, as the case may be) and if no such notice is given, then on the first anniversary of the Cessation Date or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.

5.3.6 DEATH. Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, such Shares that would have otherwise been payable in accordance with Subsection 5.3.5 hereof to the Participant upon such Participant ceasing to be an Eligible Person.

#### 5.4 OPTIONS

5.4.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each vested Option shall represent the right to purchase one (1) Share in accordance with its terms and the terms of this Plan. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.4.2 EXERCISE PRICE. The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the Market Price permitted by the Exchange. The Board shall not reprice any Options

granted under this Plan, or cancel and later grant new Options under this Plan, except in accordance with the rules and policies of the Exchange.

- 5.4.3 TIME AND CONDITIONS OF EXERCISE. The Board shall determine the time or times at which an Option may be exercised in whole or in part. The Board shall also determine the vesting, performance and/or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.
- 5.4.4 EVIDENCE OF GRANT. All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.
- 5.4.5 EXERCISE. The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall be accompanied by a cheque, bank draft or other method of cash payment as is acceptable to the Company for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice and payment. Neither the Participants nor their legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such Participants under the terms of this Plan. In the event that the expiry date of an Option falls during a Blackout Period, the expiry date of such Option shall automatically be extended to a date which is ten (10) Trading Days following the end of such Blackout Period (the "**Extension Period**"), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) Trading Days following the end of the last imposed Blackout Period.
- 5.4.6 CHANGE OF CONTROL. In the event of a Change of Control, each outstanding Option, to the extent that it has not otherwise become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any other applicable vesting requirement.
- 5.4.7 DEATH. Where a Participant shall die, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.
- 5.4.8 TERMINATION OF EMPLOYMENT OR SERVICE.

- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option held by such Participant shall be exercisable from the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement or as determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.
- (c) Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, any Option held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement or as determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.

5.4.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Option held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement or as determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement or as determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.

5.4.10 ELIGIBLE CHARITABLE ORGANIZATIONS. Where, in the case of Eligible Charitable Organizations, a Participant ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, any Option held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement or as determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.

## 5.5 STOCK APPRECIATION RIGHTS

5.5.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of SARs to Eligible Persons. SARs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of SARs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. The number of SARs granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.5.2 SAR GRANT PRICE. The exercise price of the SAR (the "**SAR Grant Price**") shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the Market Price. The Board shall not reprice the SAR Grant Price of any SAR granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any reduction in the SAR Grant Price applicable to SARs granted to any Participant if the Participant is an Insider at the time of the proposed reduction.

### 5.5.3 PAYMENT.

(a) Subject to the provisions hereof, a SAR is the right to receive a payment in Shares equal to the excess, if any, of:

(i) the Market Price at the date such SAR is exercised; *over*

(ii) the SAR Grant Price,

multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the "**SAR Amount**").

(b) For greater clarity, the actual number of Shares to be granted to the Participant pursuant to Subsection 5.5.3(a) shall be equal to the aggregate SAR Amount divided by the Market Price at the time of exercise.

(c) Notwithstanding the foregoing, in the sole discretion of the Board, the Award

Agreement may provide that the Company may elect to satisfy the exercise of a SAR (in whole or in part) by paying to the Participant cash in an amount equal to the SAR Amount in lieu of Shares.

- 5.5.4 TERMS OF SARs. SARs shall be granted on such terms as shall be determined by the Board and set out in the Award Agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten (10) years.
- 5.5.5 EXERCISE. The exercise of any SAR will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the SAR is being exercised. If the Participant is to receive Shares, certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice. Neither the Participant nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to SARs under this Plan are issued to such Participant under the terms of this Plan. In the event that the expiry date of a SAR falls during a Blackout Period, the expiry date of such SAR shall automatically be extended to the Extension Period, subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such SAR within ten (10) business days following the end of the last imposed Blackout Period.
- 5.5.6 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all SAR's granted to a Participant shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with Subsection 5.5.5 hereof, provided that no acceleration of vesting of SARs upon a Change of Control can occur prior to the date that is one year from the date of grant of such SARs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.
- 5.5.7 DEATH. Where a Participant shall die while holding a SAR, any SAR held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the SAR shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of death of such Participant.
- 5.5.8 TERMINATION OF EMPLOYMENT OR SERVICE.
  - (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR held by such Participant shall be exercisable from the date of termination determined

by the Board.

- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.
- (c) Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

5.5.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any SAR held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

## 5.6 GENERAL TERMS APPLICABLE TO AWARDS

5.6.1 FORFEITURE EVENTS. The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the

occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

- 5.6.2 AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER. Without limiting this Subsection 5.6, Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
- 5.6.3 NON-TRANSFERABILITY OF AWARDS. No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferable, except where required by law or in certain estate proceedings described herein.
- 5.6.4 CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS. The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law; (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.
- 5.6.5 SHARE CERTIFICATES. All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- 5.6.6 CONFORMITY TO PLAN. In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.



## **SECTION 6 AMENDMENT AND TERMINATION**

- 6.1 **SHAREHOLDER APPROVAL OF PLAN.** The Company must obtain shareholder approval of the Plan: (i) within three years after institution; and (ii) within every three years thereafter. The shareholder approval requirements and related matters are set out in section 8.1 of this Plan.
- 6.2 **AMENDMENTS AND TERMINATION OF THIS PLAN.** The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or the Exchange, and (b) any required approval of shareholders of the Company in accordance with the rules and policies of the Exchange or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:
- 6.2.1 amendments to fix typographical errors;
  - 6.2.2 amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
  - 6.2.3 amendments that are necessary to comply with applicable law or the requirements of the Exchange.

If this Plan is terminated, Awards granted or issued prior to the date of termination shall remain outstanding and in effect in accordance with their applicable terms and conditions.

- 6.3 **AMENDMENTS TO AWARDS.** In accordance with the policies of the Exchange, the terms of an Award may not be amended once issued, unless otherwise approved by the Exchange and subject to compliance with applicable laws. In the event Exchange approval is received for the amendment of an Award, no amendment shall be made which would impair the rights of any Participant, without such Participant's consent, provided that no such consent shall be required if the amendment is: (a) either required or advisable in respect of compliance with any law, regulation or requirement of any accounting standard; or (b) not reasonably likely to significantly diminish the benefits provided under such Award.
- 6.4 **CANCELLATION OF AWARDS.** In accordance with the policies of the Exchange, if an Award is cancelled prior to its expiry date, the Company shall not grant new Awards to the same Participant until 30 days have elapsed from the date of cancellation.

## **SECTION 7 GENERAL PROVISIONS**

- 7.1 **NO RIGHTS TO AWARDS.** No Eligible Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Eligible Persons under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient, subject to compliance with the terms of this Plan.
- 7.2 **WITHHOLDING.** The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise,

or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:

- 7.2.1 electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or
  - 7.2.2 delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.
- 7.3 NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS. Nothing contained in this Plan shall prevent the Company or a subsidiary of the Company from adopting or continuing in effect other security-based compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.
- 7.4 NO RIGHT TO EMPLOYMENT. The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in any Award Agreement.
- 7.5 NO RIGHT AS SHAREHOLDER. Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.
- 7.6 CURRENCY. Unless expressly stated otherwise, all dollars amounts in this Plan are in Canadian dollars.
- 7.7 GOVERNING LAW. This Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- 7.8 SEVERABILITY. If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering

the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

- 7.9 NO TRUST OR FUND CREATED. Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- 7.10 NO FRACTIONAL SHARES. No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- 7.11 HEADINGS. Headings are given to the Sections and Subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.
- 7.12 NO REPRESENTATION OR WARRANTY. The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.
- 7.13 NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION. Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- 7.14 CONFLICT WITH AWARD AGREEMENT. In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.
- 7.15 COMPLIANCE WITH LAWS. The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:
  - 7.15.1 obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
  - 7.15.2 completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

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

## **SECTION 8                      EFFECTIVE DATE OF THIS PLAN AND SHAREHOLDER APPROVAL**

- 8.1      **EFFECTIVE DATE AND SHAREHOLDER APPROVAL.** This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Board and will remain subject to initial shareholder approval ("**Initial Shareholder Approval**"), provided that, if the Company grants or issues Awards under this Plan that it would not otherwise be permitted to grant under its existing Option Plan prior to Initial Shareholder Approval having been obtained, the Company must also obtain specific (and separate) shareholder approval for such grants or issuances. If Initial Shareholder Approval is obtained after the Effective Date, no right under any Award (other than an Option, which was or could have been granted under the existing Option Plan) that is granted or issued under this Plan prior to such shareholder approval may vest or be exercised, as applicable, before the date on which Initial Shareholder Approval and shareholder approval for such grants or issuances (as applicable) are obtained. Shareholder approval of this Plan must be obtained within three years after the date on which Initial Shareholder Approval is obtained and within every three years thereafter. If requisite shareholder approvals following Initial Shareholder Approval are not obtained, all unallocated Awards must be cancelled and the Company must not be permitted to grant further Awards.

**Approved by the Board of Directors of the Company effective August 18, 2025.**

**Approved by the shareholders of the Company on October \_\_\_\_\_, 2025**

**Schedule “D”**

**Change of Auditor Reporting Package**

(See attached)

**PRISMO METALS INC.**

**CHANGE OF AUDITOR NOTICE**

**TO: Davidson & Company LLP**

**AND TO: DeVisser Gray LLP**

**AND TO: Alberta Securities Commission  
British Columbia Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan  
Ontario Securities Commission**

In accordance with Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), Prismo Metals Inc. (the "**Company**") hereby gives notice and confirms that:

1. Davidson & Company LLP (the "**Former Auditor**"), has resigned as auditor of the Company, effective April 3, 2025;
2. the Former Auditor resigned at the Company's request;
3. DeVisser Gray LLP (the "**Successor Auditor**"), has been appointed as successor auditor, to hold office commencing April 3, 2025, until the close of the next annual general meeting of the Company;
4. the audit committee of the Company (the "**Audit Committee**") has considered the resignation of the Former Auditor as the Company's auditor and recommended the appointment of the Successor Auditor as the Company's auditor;
5. the resignation of the Former Auditor as the Company's auditor and the appointment of the Successor Auditor as the Company's auditor were approved by the board of directors of the Company (the "**Board**") and the Audit Committee;
6. the Former Auditor has not expressed any modified opinion in its reports on any of the Company's financial statements for the period commencing at the beginning of the Company's two most recent financial years and ending at the date of this notice; and
7. to the knowledge of the Board, no "reportable event" as such term is defined in NI-51-102 has occurred in connection with the audits for the period commencing at the beginning of the Company's two most recent financial years and ending at the date of this notice.

*[Signature Page Follows]*

**DATED** the 3rd day of April, 2025.

**PRISMO METALS INC.**

Per: (signed) "Alain Lambert"

Name: Alain Lambert

Title: Chief Executive Officer

April 3, 2025

Alberta Securities Commission  
British Columbia Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan  
Ontario Securities Commission

Dear Sirs and Mesdames:

**Re: Prismo Metals Inc.  
Notice of Change of Auditors Pursuant to National Instrument 51-102**

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As required by subparagraph (6)(a)(ii) of section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations*, we have reviewed the Notice of Change in Auditor of Prismo Metals Inc. dated April 3, 2025 ("**Notice**") and, based on our knowledge of such information at this time, we have no basis to agree or disagree with the statements contained in the Notice.

Yours truly,

**DE VISSER GRAY LLP**

Per:



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Authorized Signatory



April 3, 2025

**Alberta Securities Commission  
British Columbia Securities Commission  
Ontario Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan**

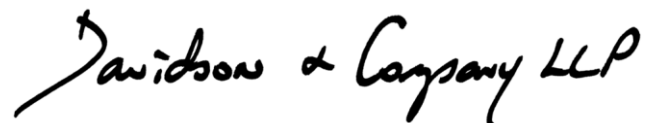
Dear Sirs / Mesdames

**Re: Prismo Metals Inc. (the "Company")  
Notice Pursuant to NI 51 – 102 of Change of Auditor**

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated April 3, 2025 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,



**DAVIDSON & COMPANY LLP**  
Chartered Professional Accountants

**cc: TSX Venture Exchange**

