



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**TAKE NOTICE** that the Annual General Meeting (the “**Meeting**”) of shareholders of **Surge Copper Corp.** (the “**Company**”) will be held via teleconference on Wednesday, September 21, 2022 at 10:00 a.m. (Vancouver Time), for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for its fiscal year ended March 31, 2022, together with the auditor’s report thereon;
2. to set the number of directors at seven (7);
3. to elect directors of the Company for the ensuing year;
4. to re-appoint DeVisser Gray LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. to consider and, if thought fit, approve an ordinary resolution to confirm and approve the Company’s Share Compensation Plan, as more particularly described in the accompanying management information circular, for continuation during the ensuing year;
6. to consider and, if thought fit, approve an ordinary resolution to confirm and approve the grant or award of options, RSUs and DSUs, as more particularly described in the accompanying management information circular, and
7. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

**In light of the ongoing COVID-19 pandemic and in order to mitigate potential risks to the health and safety of our shareholders, employees, communities, and other stakeholders, the Company is conducting the Meeting via teleconference. Registered shareholders and validly appointed proxyholders may attend the Meeting by calling the following toll-free number: 1-888-884-4538. All callers will be prompted to enter the following passcode upon entering the teleconference: 917-2180. Meeting participants are requested to read the notes in the enclosed form of proxy (the “Proxy”) and then to complete, sign, and mail the enclosed form of proxy in accordance with the instructions set out in the proxy and in this circular. Meeting participants will not be eligible to vote at the teleconference Meeting.**

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the management information circular (the “**Information Circular**”) accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve each of the foregoing items. **Shareholders are reminded to review all information contained in the Information Circular prior to voting.**

## **Notice and Access**

The Company is using the notice and access procedure (“**Notice and Access**”) adopted by the Canadian Securities Administrators for the delivery of the Information Circular. This alternative means of delivery is more environmentally friendly as it will help reduce paper use and mitigate the Company’s printing and mailing costs. Under Notice and Access, shareholders are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of receiving paper copies of the Information Circular, shareholders receive this notice of Meeting and a Notice and Access notification which contains information about how to access the Information Circular.

For more information about Notice and Access procedures, please call toll-free at: 1-888-500-4587.

## **Websites Where Meetings Materials are Posted**

Under Notice and Access, the Company will deliver applicable Meeting materials to shareholders by posting the Meeting materials at <http://www.envisionreports.com/SurgeAGM2022>

The Meeting materials will be available on this website as of August 16, 2022 and will remain on the website for one full year thereafter. The Meeting materials will also be available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) as of August 16, 2022.

## **How to Obtain Paper Copies of Meeting Materials**

Shareholders will receive a Notice and Access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. Shareholders who wish to receive paper copies of the Meeting materials may request copies from the Company by sending written notice to Suite 888, 700 West Georgia Street, Vancouver, British Columbia V7Y 1G5, or by fax to (604) 662-3791; or by telephone call to the Company at (604) 718-5454 or toll-free: 1-888-500-4587; or by email to the Company at [info@surgecopper.com](mailto:info@surgecopper.com). Shareholders may request paper copies of the materials for the Meeting be sent to them by postal delivery at no cost to them. To ensure you receive the materials in advance of the voting deadline and Meeting date, all requests must be received no later than September 11, 2022.

## **Record Date**

The directors of the Company have fixed August 9, 2022 as the record date for the Meeting (the “**Record Date**”). Only shareholders of record at the close of business on the Record Date are entitled to vote at the Meeting or any adjournment or postponement thereof.

## **Proxies**

If you are a registered shareholder of the Company and unable to attend the Meeting via teleconference, please exercise your right to vote by completing and returning the accompanying form of proxy and deposit it with Computershare Trust Company of Canada. Proxies must be completed, dated, signed, and returned to Computershare Trust Company of Canada, Proxy Department, at 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1 by 10:00 a.m. (Vancouver time) on September 19, 2022, or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the date to which the Meeting is adjourned or postponed. Telephone voting can be completed at 1-866-732-8683, voting by fax can be sent to 1-866-249-7775 or 416-263-9524 and Internet voting can be completed at [www.investorvote.com](http://www.investorvote.com).

If you are a non-registered shareholder, please follow the instructions from your bank, broker, or other financial intermediary for instructions on how to vote your shares.

**DATED** at Vancouver, British Columbia, August 9, 2022.

**BY ORDER OF THE BOARD**

*“Leif Nilsson”*

Leif Nilsson  
Chief Executive Officer



**INFORMATION CIRCULAR  
FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

with information current as of August 9, 2022  
(except as otherwise indicated)

This information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of **SURGE COPPER CORP.** (the “**Company**”) for use at the Annual General Meeting (the “**Meeting**”) of the shareholders of the Company, to be held via teleconference Wednesday, September 21, 2022 at the hour of 10:00 a.m. (Vancouver Time) or any adjournment thereof for the purposes as set forth in the enclosed Notice of Annual General Meeting (the “**Notice of Meeting**”).

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

**In light of the ongoing COVID-19 pandemic and in order to mitigate potential risks to the health and safety of our shareholders, employees, communities, and other stakeholders, the Company is conducting the Meeting via teleconference. Registered shareholders and validly appointed proxyholders may attend the Meeting by calling the following toll-free number: 1-888-884-4538. All callers will be prompted to enter the following passcode upon entering the teleconference: 917-2180. Meeting participants are requested to read the notes in the enclosed form of proxy (the “Proxy”) and then to complete, sign, and mail the enclosed Proxy in accordance with the instructions set out in the Proxy and in this circular. Meeting participants will not be eligible to vote at the teleconference Meeting.**

If you are a registered shareholder and wish to have your vote counted, you will be required to complete, date, sign and return the Proxy for use at the Meeting or any adjournment thereof. If you are a non-registered shareholder and have received this Notice of Meeting and accompanying materials through an intermediary, please complete and return the voting instructions form provided to you in accordance with the instructions provided therein.

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail, subject to the use of Notice-and-Access Provisions (defined below) in relation to the delivery of the Information Circular, and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they

**intend to oppose any action intended to be taken by management as set forth in this Information Circular.**

## **NOTICE-AND-ACCESS**

“**Notice-and-Access Provisions**” means provisions concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), in the case of registered shareholders, and section 2.7.1 of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), in the case of Beneficial Shareholders, which allows a public company to deliver proxy-related materials to its shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

The Company has decided to utilize the Notice-and-Access Provisions this year and to deliver this Information Circular and the supplemental mailing list request card (collectively, the “**Meeting Materials**”) to shareholders by posting the Meeting Materials at the following internet address: [www.envisionreports.com/SurgeAGM2022](http://www.envisionreports.com/SurgeAGM2022). The Meeting Materials, together with a copy of the Notice of Meeting and Notice and Access notification form, will be available on this website as of August 16, 2022 and will remain on the website for one full year thereafter. The Meeting Materials, together with a copy of the Notice of Meeting and Notice and Access notification form, will also be available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) as of August 16, 2022.

**Shareholders who wish to receive a paper copy of the Meeting Materials may request a copy from the Company** by sending written notice to Suite 888 - 700 West Georgia Street, Vancouver, British Columbia V7Y 1G5, or by fax to (604) 662-3791; by telephone call to the Company at (604) 718-5454 or toll-free: 1-888-500-4587; or by email to the Company at [info@surgecopper.com](mailto:info@surgecopper.com). Meeting Materials will be sent to such shareholder at no cost to them. To ensure you receive the materials in advance of the voting deadline and Meeting date, all requests must be received no later than September 11, 2022.

## **GENERAL PROXY INFORMATION**

### **Appointment of Proxyholders**

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

If you are a registered shareholder and wish to have your shares voted at the Meeting, you will be required to submit your vote by proxy. Due to issues related to the verification of shareholder identity at a virtual meeting, in-person voting will not be permitted at the Meeting. Registered shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), in accordance with the instructions on the Proxy. Alternatively, registered shareholders may vote their shares via the internet or by telephone as per the instructions provided on the Proxy.

### **Revocation of Proxies**

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 registered 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 Computershare at the address set out in the Proxy or to the Company at the address indicated above 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 permitted by law.

Only registered shareholders have the right to revoke a proxy. Non-registered shareholders who wish to change their vote must, arrange for their respective intermediaries to revoke the proxy on their behalf.

### **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. 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 management proxyholders named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Given the fact that voting will only be permitted by proxy as there will be no in-person attendance or voting at the Meeting, management does not intend to allow new matters not contemplated in the Notice of Meeting to be considered at the Meeting.

### **Registered Shareholders**

If you are a registered shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting. Registered shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed Proxy and returning it to Computershare in accordance with the instructions on the Proxy, which are summarized as follows:

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

In all cases you must ensure your Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit a Proxy properly may result in its invalidation.

### **Beneficial Shareholders**

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

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

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

Generally, Beneficial Shareholders fall under two categories - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for "*Objecting Beneficial Owners*") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "*Non-Objecting Beneficial Owners*").

These securityholder materials are sent to both registered and non-registered (beneficial) owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent 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.

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

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada and in the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), different from the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, insert the name of your desired representative (which may be you) in the blank space provided in the VIF. Once you have completed and signed your VIF return it to Broadridge by mail or facsimile, or deliver your voting instructions to Broadridge by phone or via the internet, in accordance with Broadridge's

instructions. Broadridge tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the voting deadline in order to have your Common Shares voted as per your instructions.**

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

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Voting by Proxy Generally**

Proxies will not be accepted at the Meeting. All Proxies must be submitted by the methods as set out above by 10:00 a.m. (Pacific Standard time) on September 19, 2022. Registered shareholders and validly appointed proxyholders may attend the Meeting by contacting the Company at [info@surgecopper.com](mailto:info@surgecopper.com) or (604) 718-5454 or toll-free: 1-888-500-4587 to obtain a web link that will permit them to attend the Meeting by teleconference.

As there will be no in-person attendance or voting at the Meeting, votes received by the above-noted voting deadline for each matter set out in the Notice of Meeting will be tabulated in advance of the Meeting by Computershare and compiled in a proxy report (the "**Proxy Report**"). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Since no in-person voting will be permitted and voting results respecting matters set out in the Notice of Meeting will be determined solely on the basis of the voting results set out in the Proxy Report, **no ballots will be permitted at the Meeting.** All results will be determined by reference to the Proxy Report. Management of the Company will advise at the Meeting the voting results for each matter set out in the Proxy Report and shareholders will be entitled to request a copy of the Proxy Report from Management after the Meeting.

### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The board of directors of the Company (the "**Board**") has fixed August 9, 2022 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 complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "*General Proxy Information*" above will be entitled to vote or have their Common Shares voted at the Meeting or any adjournment thereof.



The Common Shares are listed on the TSX Venture Exchange (the “**Exchange**” or the “**TSXV**”), under the symbol “SURG”. As at August 9, 2022 there were 169,499,856 Common Shares without par value issued and outstanding, each Common Share 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. At a general meeting of the Company, every shareholder shall have one vote for each Common Share of which they are the holder.

To the knowledge of the directors and executive officers of the Company, there were no persons or corporations who beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at August 9, 2022.

### **QUORUM**

The Articles of the Company provide that a quorum for the transaction of business at a meeting of shareholders is at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

### **VOTES NECESSARY TO PASS RESOLUTIONS**

For the purpose of the Meeting, a simple majority of affirmative votes cast is required to pass the resolutions described herein. If there are more nominees for the election of directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected until all such vacancies have been filled.

### **DIRECTOR AND EXECUTIVE COMPENSATION**

The Company is a “**venture issuer**” as defined under NI 51-102 and is disclosing its director and executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers* (“**Form 51-102F6V**”).

#### **Definitions**

In this Information Circular:

- ◆ “**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.
- ◆ “**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.
- ◆ “**Named Executive Officer**” or “**NEO**” means each of the following individuals:
  - (i) a CEO;
  - (ii) a CFO;
  - (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial

year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and

- (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

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

The following table sets out a summary of compensation (excluding compensation securities) paid, awarded to or earned by the Named Executive Officers and any non-NEO directors of the Company for the periods noted therein:

Table of compensation excluding compensation securities							
Name and position	Year Ended Mar 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Leif Nilsson CEO & Director	2022	250,000	212,500	Nil	Nil	Nil	462,500
	2021	62,500	Nil	Nil	Nil	Nil	62,500
Shane Ebert President & Director	2022	172,790	40,000	Nil	Nil	Nil	212,790
	2021	97,650	Nil	Nil	Nil	Nil	97,650
Chantelle Collins CFO	2022	87,055	16,800	Nil	Nil	Nil	103,855
	2021	74,100	Nil	Nil	Nil	Nil	74,100
Christian Kargl-Simard Director & Chairman	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Craig Parry Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Patrick Glazier Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
James Pettit Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
John Dorward <sup>(1)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Richard Colterjohn <sup>(2)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Kinder Deo <sup>(3)</sup> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Patrick Bell <sup>(4)</sup> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Dorward was appointed a director of the Company effective September 21, 2021.  
 (2) Mr. Colterjohn was appointed a director of the Company effective September 21, 2021.  
 (3) Mr. Deo ceased to be a director of the Company effective September 21, 2021.  
 (4) Mr. Bell ceased to be a director of the Company effective September 21, 2021.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to NEOs or non-NEO directors during the financial year ended March 31, 2022, for services provided or to be provided, directly or indirectly, to the Company 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 <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Leif Nilsson<sup>(2)</sup></b> <i>CEO &amp; Director</i>	Stock Option	500,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	RSUs	250,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
	RSUs	250,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Shane Ebert<sup>(3)</sup></b> <i>President &amp; Director</i>	Stock Option	500,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	RSUs	175,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
	RSUs	175,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Chantelle Collins<sup>(4)</sup></b> <i>CFO</i>	Stock Option	200,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	RSUs	100,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Christian Kargl-Simard<sup>(5)</sup></b> <i>Chairman &amp; Director</i>	Stock Option	300,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	DSUs	180,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Craig Parry<sup>(6)</sup></b> <i>Director</i>	Stock Option	100,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	DSUs	105,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>James Pettit<sup>(7)</sup></b> <i>Director</i>	Stock Option	100,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	DSUs	115,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Patrick Glazier<sup>(8)</sup></b> <i>Director</i>	Stock Option	100,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
	DSUs	105,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Richard Colterjohn<sup>(9)</sup></b> <i>Director</i>	Stock Option	400,000	Oct 15-2021	0.42	0.42	0.30	Oct 15-2026
	DSUs	140,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>John Dorward<sup>(10)</sup></b> <i>Director</i>	Stock Option	400,000	Oct 15-2021	0.42	0.42	0.30	Oct 15-2026
	DSUs	105,000	Jan 11-2022	0.339	0.33	0.30	Jan 11-2025
<b>Patrick Bell<sup>(11)</sup></b> <i>Former Director</i>	Stock Option	100,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026
<b>Kinder Deo<sup>(12)</sup></b> <i>Former Director</i>	Stock Option	100,000	Jun 23-2021	0.42	0.40	0.30	Jun 23-2026

Notes:

- (1) There were a total 11,890,000 outstanding stock options as at March 31, 2022. There were also a total of 1,150,000 outstanding RSUs and 750,000 outstanding DSUs as at March 31, 2022 subject to approval of the Share Compensation Plan (as such term is defined below) by the shareholders and the Exchange and disinterested shareholder approval of such grants. Each RSU represents a right to receive one Common Share, following the vesting of such restricted share units over a three-year period. The 650,000 RSUs granted with time-based vesting criterion, vest 1/3 after each 12, 24 and 36 months. The 500,000 RSUs granted with performance-based vesting criterion, vest after 36 months. Each DSU represents a right to receive one Common Share or cash equivalent, due to vest 12 months from the date of grant.
- (2) As at March 31, 2022, Mr. Nilsson held outstanding options exercisable for a total of 3,000,000 Common Shares. 2,500,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 500,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Nilsson held 250,000 time-based RSUs granted by the Company on January 11, 2022 which will vest over a three year period and 250,000 performance-based RSUs granted by the Company on January 11, 2022 which will vest after 36 months.
- (3) As at March 31, 2022, Mr. Ebert held outstanding options exercisable for a total of 1,240,000 Common Shares: 740,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 500,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Ebert held 175,000 time-based RSUs granted by the Company on January 11, 2022 which will vest over a three year period and 175,000 performance-based RSUs granted by the Company on January 11, 2022 which will vest after 36 months.
- (4) As at March 31, 2022, Ms. Collins held outstanding options exercisable for a total of 450,000 Common Shares. 250,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 200,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Ms. Collins held 100,000 time-based RSUs granted by the Company on January 11, 2022 which will vest over a three year period.
- (5) As at March 31, 2022, Mr. Kargl-Simard held outstanding options exercisable for a total of 850,000 Common Shares. 550,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 300,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Kargl-Simard held 180,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant.
- (6) As at March 31, 2022, Mr. Parry held outstanding options exercisable for a total of 575,000 Common Shares. 475,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 100,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Parry held 105,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant..

- (7) As at March 31, 2022, Mr. Pettit held outstanding options exercisable for a total of 625,000 Common Shares. 525,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 100,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Pettit held 115,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant.
- (8) As at March 31, 2022, Mr. Glazier held outstanding options exercisable for a total of 725,000 Common Shares. 625,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 100,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026. As at March 31, 2022, Mr. Glazier held 105,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant.
- (9) As at March 31, 2022, Mr. Colterjohn held outstanding options exercisable for a total of 400,000 Common Shares. 400,000 options are exercisable at a price of \$0.42/share and expire October 15, 2026. As at March 31, 2022, Mr. Colterjohn held 140,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant.
- (10) As at March 31, 2022, Mr. Dorward held outstanding options exercisable for a total of 400,000 Common Shares. 400,000 options are exercisable at a price of \$0.42/share and expire October 15, 2026. As at March 31, 2022, Mr. Dorward held 105,000 DSUs granted by the Company on January 11, 2022 due to vest 12 months from the date of grant.
- (11) As at March 31, 2022, Mr. Bell held outstanding options exercisable for a total of 600,000 Common Shares. 500,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 100,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026.
- (12) As at March 31, 2022, Mr. Deo held outstanding options exercisable for a total of 700,000 Common Shares. 600,000 options are exercisable at a price of \$0.69/share and expire January 4, 2026 and 100,000 options are exercisable at a price of \$0.42/share and expire June 23, 2026.

## Exercise of Compensation Securities by Directors and NEOs

The following table sets out each exercise of compensation securities by the Company's Named Executive Officers and directors during the fiscal year ended March 31, 2022:

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 (\$) <sup>(1)</sup>
Leif Nilsson CEO and Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Shane Ebert President and Director	Stock Option	210,000	\$0.155	Sept 29-2021	0.32	0.165	34,650
	Stock Option	168,000	\$0.12	Jan 14-2022	0.35	0.23	38,640
Chantelle Collins CFO	Stock Option	60,000	\$0.155	Sept 28-2021	0.32	0.165	9,900
	Stock Option	30,000	\$0.12	Jan 14-2022	0.35	0.23	6,900
Christian Kargl-Simard Chairman and Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Patrick Glazier Director	Stock Option	140,000	\$0.155	Sept 29-2021	0.32	0.165	23,100
	Stock Option	100,000	\$0.12	Jan 14-2022	0.35	0.23	23,000
James Pettit Director	Stock Option	140,000	\$0.155	Sept 22-2021	0.33	0.175	24,500
	Stock Option	95,000	\$0.12	Jan 14-2022	0.35	0.23	21,850
Craig Parry Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Richard Colterjohn Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
John Dorward Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Kinder Deo Former Director	Stock Option	170,000	\$0.155	Sept 28-2021	0.32	0.165	27,200
	Stock Option	95,000	\$0.12	Jan 14-2022	0.35	0.23	21,850
Patrick Bell Former Director	Stock Option	165,000	\$0.155	Sept 13-2021	0.37	0.215	37,400

Note:

- (1) Dollar value is equal to the number of securities acquired on exercise multiplied by the difference between the closing price on the date of exercise and the exercise price or base price of the Options.

## Stock Compensation and Other Incentive Plans

On September 20, 2004, the Board adopted a stock option plan (the "Stock Option Plan") whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding

common shares of the Company, as at the date of the grant. The Stock Option Plan was subsequently approved by the TSXV and by the shareholders at the Company last annual general meeting held on September 22, 2021. The material terms of the Stock Option Plan are provided in the Company's information circular dated August 9, 2021 for the annual general meeting of shareholders of the Company held on September 22, 2021, which is available on SEDAR.

On January 11, 2022, following the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board (the "**NC&CG Committee**"), the Board adopted a new share compensation plan (the "**Share Compensation Plan**"), replacing the Stock Option Plan to comply with certain amendments made by the TSXV to its policies regarding security based compensation.

The Share Compensation Plan is a "rolling up to 10%" omnibus plan pursuant to which the total number of Common Shares which may be issued pursuant to restricted share units ("**RSUs**"), stock options ("**Options**") or deferred share units ("**DSUs**") awarded or granted under the Share Compensation Plan, in the aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares at the time of the award or grant.

The TSXV requires all listed companies with a "rolling up to 10%" share compensation plan, such as the Share Compensation Plan, to obtain shareholder approval for such plan on an annual basis. Accordingly, at the Meeting, shareholders will be asked to vote on an ordinary resolution (the "**Plan Resolution**") to approve, for the ensuing year, the Share Compensation Plan as described below. A copy of the Share Compensation Plan is attached as Schedule "A".

As of the date of the Information Circular, there are 11,890,000 Options, 1,150,000 RSUs and 750,000 DSUs outstanding (inclusive of 11,890,000 Options under the Stock Option Plan and 1,150,000 RSUs and 750,000 DSUs under the Share Compensation Plan). Subject to shareholder approval of the Plan Resolution, any additional Options, RSUs and DSUs awarded or granted by the Company would be governed by the Share Compensation Plan.

Other than as set out elsewhere in this Information Circular, the Company does not have any other incentive plans.

### ***Particulars of the Share Compensation Plan***

#### *Overview*

The Share Compensation Plan provides that the Board may from time to time, in its discretion, award or grant to the Eligible Person (as such term is defined below) selected by the Administrators (as such term is defined below) to participate in the Share Compensation Plan (each, a "**Participant**"), who may include participants who are citizens or residents of the United States (each, a "**US Participant**"), with the opportunity, through RSUs, Options, and DSUs, to acquire an ownership interest in the Company.

The purpose of the Share Compensation Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Company or any of its subsidiaries to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract to and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

The RSUs and DSUs will rise and fall in value based on the value of the Common Shares. Unlike the Options, the RSUs and DSUs will not require the payment of any monetary consideration to the Company.

Instead, each RSU represents a right to receive one Common Share or a lump sum payment in cash following the attainment of vesting criteria determined by the Administrators at the time of the award (subject to TSXV policies).

The Options, on the other hand, are rights to acquire Common Shares upon payment of monetary consideration (i.e., the exercise price), subject also to vesting criteria determined at the time of the grant.

The Administrators may fix, from time to time, a portion of the director fees that is to be payable in the form of DSUs. In addition, each Participant who is, on the applicable election date, a director who is not an employee (the “**Electing Person**”) may be given the right to elect to participate in the grant of additional DSUs. An Electing Person who elects to participate in the grant of additional DSUs shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The “**Elected Amount**” shall be an amount, as elected by the director, in accordance with applicable tax law, between 0% and 100% of any director fees that are otherwise intended to be paid in cash (the “**Cash Fees**”).

#### *Purpose of the Share Compensation Plan*

The stated purpose of the Share Compensation Plan is to advance the interests of the Company and its subsidiaries, and its shareholders by: (a) ensuring that the interests of Participants are aligned with the success of the Company and its subsidiaries; (b) encouraging stock ownership by such persons; and (c) providing compensation opportunities to attract, retain and motivate such persons.

The following people (each, an “**Eligible Person**”) are eligible to participate in the Share Compensation Plan: any director, officer, employee, management company employee or consultant.

#### *Administration of the Share Compensation Plan*

The Share Compensation Plan is administered by the Board or such other persons as may be designated by the Board from time to time (the “**Administrators**”) through the recommendation of the NC&CG Committee. The Administrators determine the eligibility of persons to participate in the Share Compensation Plan, when RSUs, Options, or DSUs will be awarded or granted, the number of RSUs, Options and DSUs to be awarded or granted, the vesting criteria for each award of RSUs, vesting period for each grant of Options and the vesting criteria for each award of DSU, and all other terms and conditions of each award and grant, in each case in accordance with applicable securities laws and the requirements of the TSXV.

#### *Number of Common Shares Issuance under the Share Compensation Plan*

The Common Shares that are issuable pursuant to RSUs, Options, and DSUs awarded or granted under the Share Compensation Plan and other securities issuable under any other share compensation arrangements of the Company (collectively, the “**Security Based Compensation**”), in aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares as of the date of award or grant.

#### *Restrictions on the Award or Grant of Security Based Compensation*

The Security Based Compensation under the Share Compensation Plan is subject to a number of restrictions:

- (a) the total number of Common Shares issuable pursuant to all Security Based Compensation granted or awarded under the Share Compensation Plan and any other share compensation arrangements of the Company cannot exceed 10% of the Common Shares then outstanding. For greater certainty, any RSUs and DSUs that must be settled in cash in accordance with the RSU Agreement and the

DSU Agreement (as these terms are defined below) approved by the Administrators at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Share Compensation Plan as required by the policies of the TSXV;

- (b) unless the Company obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Share Compensation Plan to any one Participant in any 12 month period cannot exceed 5% of the Common Shares then outstanding;
- (c) the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Share Compensation Plan in any 12 month period to any one consultant shall not exceed 2% of the issued and outstanding Common Shares then outstanding; and
- (d) the maximum aggregate number of Common Shares issuable pursuant to all Options granted to Investor Relations Service Providers (as such term is defined in the Share Compensation Plan) under the Share Compensation Plan and any other share compensation arrangements of the Company in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares; provided, that Options granted to any and all Investor Relations Service Providers must vest in stages over a period of not less than 12 months with no more than  $\frac{1}{4}$  of the Options vesting in any three month period in accordance with the vesting requirements set out in the TSXV's policies.

The following restrictions also apply to the Share Compensation Plan in accordance with TSXV Policy 4.4:

- (a) All Security Based Compensation granted or issued under the Share Compensation Plan is non-assignable and non-transferable;
- (b) Unless the Company obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Share Compensation Plan to Insider Participants (as such term is defined in the Share Compensation Plan) as a group shall not exceed 10% of the issued and outstanding Common Shares at any point in time;
- (c) Unless the Company obtains disinterested shareholder approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Share Compensation Plan in any 12 month period to Insider Participants as a group (together with those Common Shares issuable pursuant to any other share compensation arrangement) shall not exceed 10% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider Participant;
- (d) Investor Relations Service Providers may not receive any Security Based Compensation other than Options; and
- (e) Any Security Based Compensation granted or issued to any Participant who is a director, officer, employee, consultant or management company employee must expire within 12 months following the date the Participant ceases to be an Eligible Person under the Share Compensation Plan.

#### *Restricted Share Units*

The Administrators may award RSUs to Eligible Persons (other than Investor Relations Service Providers).

- (a) Mechanics for RSUs

RSUs awarded to Participants under the Share Compensation Plan are credited to an account that is established on their behalf and maintained in accordance with the Share Compensation Plan. After the vesting criteria of any RSUs awarded under the Share Compensation Plan are satisfied, a

Participant shall be entitled to receive and the Company shall issue or pay (at its discretion): (i) a lump sum payment in cash equal to the number of vested RSUs recorded in the Participant's RSU account multiplied by the market price of the Common Shares traded on the TSXV on the payout date; (ii) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's RSUs in the Participant's RSU account will be, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Company as the holder of the appropriate number of Common Shares; or (iii) any combination of thereof.

(b) Vesting Provisions

The Share Compensation Plan provides that: (i) at the time of the award of RSUs, the Administrators shall, subject to the TSXV rules, determine the vesting criteria applicable to the RSUs provided that, subject to certain exceptions set out in the Share Compensation Plan, no RSUs may vest before the date that is one year following the date of award; (ii) vesting of RSUs may include criteria such as performance vesting; (iii) each RSU shall be subject to vesting in accordance with the terms set out in an agreement evidencing the award of the RSU, which is attached as Exhibit A to the Share Compensation Plan (or in such form as the Administrators may approve from time to time) (the "**RSU Agreement**"); and (iv) all vesting and issuances or payments in respect of an RSU shall be completed no later than December 15 of the third calendar year commencing after the award date for such RSU.

(c) Termination, Retirement and Other Cessation of Employment in connection with RSUs

A person participating in the Share Compensation Plan will cease to be eligible to participate in the following circumstances: (i) receipt of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause); (ii) retirement; and (iii) any cessation of employment or service for any reason whatsoever, including disability and death (an "**Event of Termination**"). In such circumstances, any vested RSUs will be issued as soon as practicable after the Event of Termination (and with respect to each RSU of a US Participant, such RSU will be settled and shares issued as soon as practicable following the date of vesting of such RSU as set forth in the applicable RSU Agreement, but in all cases within 60 days following such date of vesting); and, unless otherwise determined by the Administrators in their discretion and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, any unvested RSUs shall vest and be settled before the earlier of (i) the vesting schedule set out in the applicable RSU Agreement and (ii) 12 months after the date of the Event of Termination (and with respect to any RSU of a US Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to an RSU that is unvested at the time of an Event of Termination, such RSU shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares delivered following the date of vesting date of such RSU as set forth in the applicable RSU Agreement).

If an Event of Termination occurs involving the death of a Participant occurs and such Participant is entitled to any RSUs under the Share Compensation Plan, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

Subject to section 2.3(e) of the Share Compensation Plan and section 4.6 of TSXV Policy 4.4, notwithstanding the above, if a person retires in accordance with the Company's retirement policy at such time, any unvested performance-based RSUs shall not be forfeited or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable RSU Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, have been met on the applicable date.



For greater certainty, if a person is terminated for just cause or if a Participant resigns without good reason, all unvested RSUs will be forfeited and cancelled.

It is the current intention that RSUs may be awarded with both time-based vesting provisions as a component of the Company's annual incentive compensation program, and performance-based vesting provisions as a component of the Company's long-term incentive compensation program.

Under the Share Compensation Plan, should the date of vesting of an RSU fall within a blackout period formally imposed by the Company, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the date of vesting for such RSU for all purposes under the Share Compensation Plan.

### *Stock Options*

The Administrators may at any time and from time to time grant Options to Eligible Persons.

(a) Mechanics for Options

Each Option granted pursuant to the Share Compensation Plan will entitle the holder thereof to the issuance of one Common Share upon achievement of the vesting criteria and payment of the applicable exercise price. Options granted under the Share Compensation Plan will be exercisable for Common Shares issued from treasury once the vesting criteria established by the Administrators at the time of the grant have been satisfied.

(b) Vesting Provisions

The Share Compensation Plan provides that the Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The agreement evidencing the grant of the Option attached as Exhibit B to the Share Compensation Plan (or in such form as the Administrators may approve from time to time) (the "**Option Agreement**") will disclose any vesting conditions prescribed by the Administrators.

(c) Termination, Retirement and Other Cessation of Employment in connection with Options

A person participating in the Share Compensation Plan will cease to be eligible to participate where there is an Event of Termination. In such circumstances, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall, unless otherwise determined by the Administrators in their discretion, vest before the earlier of (i) the vesting schedule set out in the applicable Option Agreement and (ii) 12 months after the date of the Event of Termination. There can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

Except as otherwise stated in the Share Compensation Plan or otherwise determined by the Administrators in their discretion, any vested Options may be exercised only before the earlier of: (i) the expiry of the Option; and (ii) six months after the date of the Event of Termination.

If a person is terminated for just cause or if a Participant resigns without good reason, all Options (whether or not then exercisable) shall automatically be cancelled.

If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Options under the Share Compensation Plan, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

(d) Cashless Exercise

Subject to prior approval by the Administrators, a Participant may elect cashless exercise. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate exercise price of the Options. Instead the following will apply:

- (i) Whereby the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Common Shares underlying the Options. The brokerage firm then sells a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Common Shares from the exercise of the Options and the Participant then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares.
- (ii) Before the relevant trade date, the Participant will deliver the Option exercise notice including details of the trades to the Company electing the cashless exercise and the Company will direct its registrar and transfer agent to issue a certificate for such Participant's Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Company of (i) the exercise price for such Common Shares; and (ii) the amount the Company determines, in its discretion, is required to satisfy the Company withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.
- (iii) The broker will deliver to the Participant the remaining value of the Options, net of any brokerage commission or other expenses (the "**In-the-Money Amount**"), in either (i) cash in an amount equal to the In-the-Money-Amount, or (b) such number of Common Shares (rounded down to the nearest whole number) having a fair market price equal to the In-the-Money Amount, plus a cash amount equal to the fraction of a Common Share that would otherwise be issuable multiplied by the fair market price of a Common Share.

(e) Net Exercise

Subject to prior approval by the Administrators, a Participant, excluding Investor Relations Service Providers, may elect to surrender for cancellation to the Company any vested Options being exercised and the Company will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

- X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options;
- Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;
- A = The volume weighted average trading price of the Common Shares; and
- B = The exercise price for such Options.

(f) Other Terms

The Administrators will determine the exercise price and term/expiration date of each Option, provided that the exercise price in respect of that Option shall not be less than the Discounted Market Price on the date of grant. “**Discounted Market Price**” is defined in the TSXV Policy 1.1.

No Option shall be exercisable after ten years from the date the Option is granted. Should the term of an Option expire on a date that falls within a blackout period formally imposed by the Company, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the expiration date for such Option for all purposes under the Share Compensation Plan.

*Deferred Share Units*

The Administrators may fix, from time to time, a portion of the director fees that is to be payable in the form of DSUs.

(a) Mechanics for DSUs

Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in accordance with the time frames set forth in the Share Compensation Plan. If no election is made within the required time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

Each Electing Person who is not a US Participant is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with a notice. Such termination shall be effective immediately upon receipt of such notice, provided that the Company has not imposed a blackout period. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with the provisions in the Share Compensation Plan, all subsequent calendar years shall be paid in cash.

An election by a US Participant to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which a termination notice is delivered.

The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including director fees and any Elected Amount), as determined by the Administrator, by (ii) the market price of a Common Share on the award date.

DSUs shall be settled on the date established in the DSU Agreement (as such term is defined below) provided, however that in no event shall a DSU be settled prior to a Participant's termination date, or, in the case of a Canadian Participant, later than one year following the date of the applicable Canadian Participant's termination date. In the case of a Participant (other than a Canadian Participant), in no event shall a DSU be settled later than three years following the date of the applicable Participant's termination date, as more particularly set out in the Share Compensation Plan.

(b) Vesting Provisions

DSUs shall vest on the date that is 12 months following the date of grant or issue. All DSUs awarded shall be evidenced by a DSU agreement between the Company and the Participant, attached as Exhibit D to the Share Compensation Plan or in such other form as the Administrators may approve from time to time (the "**DSU Agreement**").

(c) Termination, Retirement and Other Cessation of Employment in connection with RSUs

If an Event of Termination has occurred in respect of any Participant, (i) any and all Common Shares corresponding to any vested DSUs in the Participant's DSU account shall be issued as soon as practicable after the Event of Termination to the former Participant; and (ii) any unvested DSUs in the Participant's DSU account shall, unless otherwise determined by the Administrators in their discretion or otherwise agreed to by the Company in an agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (a) the vesting schedule set out in the applicable DSU Agreement and (b) 12 months after the date of the Event of Termination.

If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any DSUs, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

Subject to section 2.3(e) of the Share Compensation Plan and section 4.6 of TSXV Policy 4.4, if a Participant retires in accordance with the Company's retirement policy, at such time, any unvested performance-based DSUs in the Participant's DSU account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable DSU Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.

If a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested DSUs in the Participant's DSU account shall forthwith and automatically be forfeited by the Participant and cancelled.

Under the Share Compensation Plan, should the date of vesting of a DSU fall within a blackout period formally imposed by the Company, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the date of vesting for such DSU for all purposes under the Share Compensation Plan.

***Change of Control***

Subject to section 2.3(e) of the Share Compensation Plan and section 4.6 of TSXV Policy 4.4, if there is a Change of Control (as such term is defined in the Share Compensation Plan) then, notwithstanding any other provision of the Share Compensation Plan except certain provision of the Share Compensation Plan

which will continue to apply in all circumstances, any or all unvested RSUs and any or all Options (whether or not currently exercisable) and any or all unvested DSUs shall automatically vest or become exercisable, as applicable, such that Participants under the Share Compensation Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such RSUs, Options and DSUs to the Company or a third party or exchanging such RSUs, Options or DSUs, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion.

For greater certainty, the occurrence of a Change of Control will not trigger the right of a Participant to receive a payment in respect of a DSU prior to a termination date for such Participant. For clarity, RSUs, Options or DSUs of a Participant will only be accelerated as contemplated in section 7.2(a) of the Share Compensation Plan if such Participant ceases to be an Eligible Person in connection with the Change of Control.

Notwithstanding the foregoing, there can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

### ***Transferability***

RSUs, Options and DSUs awarded or granted under the Share Compensation Plan or any rights of a Participant cannot be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise.

### ***Reorganization and Change of Control Adjustments***

In the event of any declaration by the Company of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of the Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Company, distribution (other than normal course cash dividends) of company assets to holders of Common Shares, or any other corporate transaction or event involving the Company or the Common Shares, the Administrators may, subject to any relevant resolutions of the Board and necessary TSXV approvals, and without liability to any person, make such changes or adjustments, if any, as the Administrators consider fair or equitable, to reflect such change or event including, without limitation, adjusting the number of RSUs, Options and DSUs outstanding under the Share Compensation Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of Options outstanding under the Share Compensation Plan, provided that the value of any RSU, Option and DSU immediately after such an adjustment shall not exceed the value of such RSU, Option and DSU prior thereto.

### ***Amendment Provisions in the Share Compensation Plan***

The Board may amend the Share Compensation Plan or any RSU or Option or DSU at any time without the consent of any Participant provided that such amendment shall:

- (a) not adversely alter or impair any RSU previously awarded or any Option previously granted or any DSU previously awarded, except as permitted by the adjustment provisions of the Share Compensation Plan and with respect to RSUs, Options and DSUs of US Participants, such amendment will not result in the imposition of taxes under section 409A of the U.S. Internal Revenue Code of 1986, as amended;

- (b) be subject to any regulatory approvals including, where required, the approval of the TSXV; and
- (c) be subject to shareholder approval, where required by the requirements of the TSXV, provided that shareholder approval shall not be required for the following amendments:
  - (i) amendments of a “housekeeping nature”, including any amendment to the Plan or a RSU or Option or DSU that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Share Compensation Plan or a RSU or Option or DSU to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein; and
  - (ii) amendments that are necessary or desirable for RSUs or Options or DSUs to qualify for favourable treatment under any applicable tax law;
- (d) be subject to disinterested shareholder approval in the event of any reduction in the exercise price, or the extension of the term, of any Option granted under the Share Compensation Plan to an Insider Participant.

For greater certainty, shareholder approval will be required in circumstances where an amendment to the Share Compensation Plan would:

- (a) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
- (b) increase the limits of the total number of Common Shares that are issuable pursuant to all Security Based Compensation granted or awarded under the Share Compensation Plan;
- (c) reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person);
- (d) extend the term of any Option beyond the original term (except if such period is being extend by virtue of a blackout period); or
- (e) amend the amendment provisions set out in the Share Compensation Plan.

A full copy of the Share Compensation Plan will be available for inspection at the Meeting and is attached as Schedule “A” hereto.

### **External Management Companies**

During the year ended March 31, 2022, no management functions of the Company were to any substantial degree performed by a person other than the directors or NEOs of the Company.

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

The Company has entered into agreements or arrangements under which it pays its NEOs and non-NEO directors, as follows:

1. *Leif Nilsson, CEO and director of the Company.*

By an agreement dated December 13, 2020 and executed January 4, 2021, between Leif Nilsson and the Company, it was agreed that Mr. Nilsson is paid for services to the Company as Chief Executive Officer through an employment agreement. Mr. Nilsson is entitled to an annual base salary of \$250,000 (the “**Base Salary**”) and incentive compensation in the form of a short-term incentive bonus of between 50-100% of the Base Salary to be agreed by the Board annually, based

on the achievement of specific Company milestones achieving certain corporate objectives. The Company may terminate Mr. Nilsson's employment at any time for just cause and Mr. Nilsson may terminate his employment on 30 days' written notice. In the event Mr. Nilsson's employment is terminated by the Company without cause, or if he resigns for good reason (as defined in the agreement), the Company shall pay Mr. Nilsson an amount equal to the then annual Base Salary plus an amount equal to 50% of the last short-term incentive bonus declared or awarded, and all Options will immediately vest. In the event of a change of control Mr. Nilsson will be entitled to a lump sum payment equal to twice his annual Base Salary then in effect plus an amount equal to 200% of the last short-term incentive bonus declared or awarded, and all Options will immediately vest.

2. *Shane Ebert – President, Vice-President Exploration and a director of the Company.*

By an agreement executed September 7, 2012, as amended, between Vector Resources Inc. (“**VRI**”) and the Company, VRI provides geotechnical and other services to the Company and its subsidiary, Ootsa Resources Ltd. (“**Ootsa**”), through a designated employee, namely Shane Ebert, to fulfill the role of President and Vice President Exploration of the Company. For services rendered, the Company pays an hourly rate of \$110 to VRI. The Company may terminate the agreement without cause at any time upon 10 days' written notice to VRI and paying VRI within 30 days of such termination an amount equal to one year's service fee. The Company may terminate the agreement with cause at any time upon written notice to VRI and without further payment. VRI may terminate the agreement upon 60 days' written notice to the Company. In the event of a change of control and if the agreement is terminated by the Company within one year of such change of control, VRI will receive an amount equal to two years of the service fee as a lump sum payment to be made by the Company within 30 days of VRI's termination. VRI may resign within 90 days following the change of control, for any reason or no reason, and in such a case VRI will receive an amount equal to two years of the service fee as a lump sum payment to be made by the Company within 30 days of VRI's resignation.

3. *Chantelle Collins - CFO*

During the year ended March 31, 2022, the Company had a verbal agreement with Ms. Collins whereby the Company paid Ms. Collins, as an employee of the Company, for CFO services at a monthly rate of \$8,400. It is expected that this arrangement will continue during fiscal 2023.

4. During the year ended March 31, 2022, no directors' fees were paid to the non-NEO directors for serving as directors of the Company. It is anticipated that this will continue during fiscal 2023.
5. NEOs and non-NEO directors are entitled to participate in the Company's incentive plans.
6. NEOs and non-NEO directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as NEOs or non-NEO directors, as the case may be.

## **Oversight and Description of Director and NEO Compensation**

### *Director Compensation*

The Company has no standard arrangements pursuant to which directors are compensated by the Company for their services in their capacity as directors, except for the granting from time to time of Security Based Compensation and the policies of the Exchange. Currently, no fees are paid to the directors for serving as directors of the Company. Should the Company's financial circumstances change in fiscal 2023, the

NC&CG Committee together with the Board as a whole will determine the compensation payable to the directors of the Company, taking into consideration general industry standards for companies similar to the Company.

The Board believes that the granting of the Security Based Compensation provides a reward to directors for achieving results that improve Company performance and thereby increase shareholder value, where such improvement is reflected in an increase in the Company's share price. In making a determination as to whether a grant of long-term Security Based Compensation is appropriate and if so, the number and type of Security Based Compensation that should be granted, the Board considers: the number, type and terms of outstanding Security Based Compensation held by each director; the aggregate value in securities of the Company that the Board intends to award as compensation; the potential dilution to shareholders; general industry standards; and the limits imposed by the terms of the Share Compensation Plan and Exchange policies. The granting of Security Based Compensation allows the Company to reward directors for their efforts to increase value for shareholders without requiring the Company to use cash from its treasury. The terms and conditions of the Security Based Compensation grants, including vesting provisions and corresponding prices, are governed by the terms of the Share Compensation Plan, which are described under "*Share Compensation and Other Incentive Plans*" above.

The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

#### *Named Executive Officer Compensation*

The Company has a NC&CG Committee consisting of Richard Colterjohn, John Dorward and Craig Parry. Within the meaning of National Instrument 52-110 "*Audit Committees*" ("**NI 52-110**") all members of the NC&CG Committee are independent directors. The NC&CG Committee of the Board directs the design and provides oversight for the Company's executive compensation program and has overall responsibility for recommending levels of executive compensation that are competitive in order to attract, motivate, and retain highly skilled and experienced executive officers. The NC&CG Committee does not have a formal compensation program with set benchmarks; however, the NC&CG Committee does have an informal program which seeks to reward an executive officer's current and future expected performance and the achievements of corporate milestones and align the interests of executive officers with the interests of the Company's shareholders.

The NC&CG Committee's responsibilities include reviewing and making recommendations to the Board with respect to the adequacy and the form of compensation to all executive officers and directors of the Company; making recommendations to the Board in respect of the grant of Security Based Compensation to management, directors, officers and other employees and consultants of the Company; and monitoring the performance of the Company's executive officers.

The Company's executive compensation philosophy and program objectives are directed primarily by two guiding principles. First, the program is intended to provide competitive levels of compensation, at expected levels of performance, in order to attract, motivate and retain talented executives. Second, the program is intended to create an alignment of interest between the Company's executives and shareholders so that a significant portion of each executive's compensation is linked to maximizing shareholder value. In support of this philosophy, the executive compensation program is designed to reward performance that is directly relevant to the Company's short-term and long-term success. The Company attempts to provide both short-term and long-term incentive compensation that varies based on corporate and individual performance.

The Company's executive compensation program is structured into three main components: base salaries or consulting fees, performance bonuses, and long-term incentives in the form of Security Based



Compensation granted, which together are designed to provide a combination of cash and equity-based compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. The following discussion describes the Company's executive compensation program by component of compensation and discusses how each component relates to the Company's overall executive compensation objective.

- Base salaries or consulting fees are paid to the Company's NEOs to compensate them for providing the leadership and specific skills needed to fulfill their responsibilities. Such payments are an important part of the Company's compensation program and serve to attract and retain qualified individuals. The base salaries or consulting fees paid to the Company's NEOs are reviewed annually by the NC&CG Committee and are determined by considering the contributions made by the NEOs, and ensuring that such compensation is at levels competitive with peer companies that compete with the Company for business opportunities and executive talent;
- Performance bonuses may from time to time be approved by the NC&CG Committee to reward NEOs for their contribution to the achievement of annual corporate goals and objectives. Such performance bonuses also serve as a retention incentive for executive officers so that they remain in the employ of the Company. The payment of bonuses is consistent with the overall objective of the Company to reward performance.
- The Company provides long-term incentives to NEOs through the grant of Security Based Compensation. The objective in granting Security Based Compensation is to encourage an ownership interest in the Company over a period of time, which acts as a financial incentive to consider the long-term interest of the Company and its shareholders. The NC&CG Committee makes recommendations from time to time to the Board in respect of Security Based Compensation grants to each NEO taking into consideration the level of responsibility and the importance of the position to the Company.

The Company's executive compensation program has been designed to accomplish the following long-term objectives:

- create a proper balance between building shareholder wealth and competitive executive compensation while maintaining good corporate governance practices;
- produce long-term, positive results for the Company's shareholders;
- align executive compensation with corporate performance and appropriate peer group comparisons; and
- provide market-competitive compensation and benefits that will enable the Company to recruit, retain and motivate the executive talent necessary to be successful.

As set out above, NEOs are eligible to receive grants of Security Based Compensation. The Share Compensation Plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The Share Compensation Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. Security Based Compensation is granted by the Board, upon the recommendation of the NC&CG Committee. The size of Security Based Compensation grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

Other than as described above, there are no other perquisites provided to the NEOs. The Company does not use specific benchmark groups in determining compensation or any element of compensation.

See “*Employment, Consulting and Management Agreements*” above for a description of the Company’s consulting agreements with its NEOs.

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

The following table sets forth details of the Stock Option Plan as of March 31, 2022, which is also the only Stock Option Plan in effect as of the Record Date.

<b>Plan Category</b>	<b>Number of Common Shares to be issued upon exercise of outstanding options (a)</b>	<b>Weighted average exercise price of outstanding options (b)</b>	<b>Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by shareholders	11,890,000	\$0.59	2,906,647
Equity compensation plans not approved by shareholders	1,900,000	\$0.339	See column (c) above
<b>TOTAL:</b>	13,790,000		2,906,647

A description of the Stock Option Plan is set out above under “*Share Compensation and Other Incentive Plans*”. The Stock Option Plan was most recently approved by the Company’s shareholders at its last annual general meeting on September 22, 2021.

The Company had no other equity compensation plan in effect during the fiscal year ended March 31, 2022.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No (a) director; (b) executive officer; (c) proposed nominee for election as a director; (d) associate of a director, executive officer or proposed nominee for election as a director; (e) employee; or (f) former director, executive officer or employee of the Company, is, as at August 9, 2022, or was at any time during the Company’s last completed financial year, indebted to the Company or any of its subsidiaries.

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

Other than as disclosed elsewhere in this Information Circular, no director or executive officer of the Company at any time since the beginning of the Company’s last financial year, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, this Information Circular briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate

of any informed person or proposed director, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. Reference is also made to Note 10. "Related Party Transactions" and Note 11. "Share Capital and Contributed Surplus" in the Company's Annual Financial Statements for the financial year ended March 31, 2022; and in "Related Party Transactions," page 14 of the related Management's Discussion and Analysis, both of which were filed under the Company's SEDAR profile on July 25, 2022 at www.sedar.com.

For a description of remuneration paid directly or indirectly to Mr. Nilsson, Mr. Ebert and Ms. Collins for services rendered on behalf of the Company, please see "Employment, Consulting and Management Agreements" above.

### **MANAGEMENT CONTRACTS**

Management functions of the Company are substantially performed by directors or executive officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

### **CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to activities of the Board, the members of which are elected by and are accountable to the shareholders and take into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") requires that each reporting company disclose its corporate governance practices on an annual basis. The Company's general approach to corporate governance is summarized below.

#### **Board of Directors**

##### Independence

The Company's Board is comprised of eight (8) directors: Leif Nilsson, Shane Ebert, Christian Kargl-Simard, Craig Parry, Richard Colterjohn, John Dorward, James Pettit and Patrick Glazier.

Section 1.4 of NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if he has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, six of the eight members of the Board are independent. The members who are independent are Patrick Glazier, James Pettit, Richard Colterjohn, John Dorward, Christian Kargl-Simard and Craig Parry. Leif Nilsson is not independent by virtue of the fact that he is an executive officer of the Company (Chief Executive Officer) and Shane Ebert is not independent by virtue of the fact that he is an executive officer of the Company (President, and Vice-President Exploration).

In order to facilitate its exercise of independent judgment in carrying out the responsibilities of the Board, the Board ensures that a majority of all members in attendance at Board meetings are independent.

Other Directorships

Certain directors of the Company serve as directors of one or more other reporting issuers or reporting issuer equivalents, as follows:

Name of Director	Reporting Issuer(s) or Equivalent(s)
Shane Ebert	Jade Leader Corp. (formerly Manson Creek Resources Ltd.)(TSXV:JADE) CANEX Metals Inc. (TSXV:CANX)
James Pettit	Skyharbour Resources Ltd. (TSXV:SYH) Aben Resources Ltd. (TSXV:ABN) Cypress Development Corp. (TSXV:CYP) RevoluGROUP Canada Inc. (TSXV:REVO) Rockridge Resources Ltd. (TSXV:ROCK) Apogee Minerals Ltd. (TSXV:APMI)
John Dorward	Taura Gold (TSXV:TORA)
Christian Kargl-Simard	Adventus Mining Corp. (TSXV:ADZN)
Craig Parry	Outback Goldfields Corp. (CSE:OZ) Gold Bull Resources Corp. (TSXV:GBRC) Skeena Resources Limited (TSX:SKE) Vizsla Silver Corp. (TSXV:VZLA) Vizsla Copper Corp.(TSXV:VCU)

**Orientation and Continuing Education**

The Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors has been and will be conducted on an ad hoc basis through discussions and meetings with other directors, officers and employees where a thorough description of the Company's business, assets, operations and strategic plans and objectives are discussed. In addition, any new directors will be given: (a) the opportunity to familiarize themselves with the Company, the current directors and members of management; (b) copies of recently publicly filed documents of the Company, technical reports and the Company's internal financial information; (c) access to technical experts and consultants; and (d) a summary of significant corporate and securities legislation. Orientation activities have been and will be tailored to the particular needs and experiences of each director and the overall needs of the Board.

The Board does not take any formal measures to provide continuing education for the directors. Directors are given the opportunity for continuing education if they choose. The current directors all have prior public company experience. Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at the Board meetings. Directors are also provided the opportunity to meet with senior management, advisors and other directors who can answer any questions that may arise. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management assistance and to attend related industry seminars in relation to the Company's operations. Board members have full access to the Company's records.

At this stage in the Company's development, and having regard to the background and experience of its directors, the Board does not feel it necessary to have such policies or programs in place.

## **Ethical Business Conduct**

The Board has not adopted a formal written Code of Business Conduct and Ethics. In recruiting new Board members, the Board considers only persons with a demonstrated record of ethical business conduct.

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

## **Nomination of Directors**

The Board has not adopted a written mandate or formal procedure with respect to the nomination of directors. The Board, as a whole, is responsible for identifying individuals qualified to become new board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

Nominees have historically been recruited by the efforts of existing Board members, and the recruitment process has involved both formal and informal discussions among committee and Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives and have a willingness to serve. Nominees who meet these criteria are interviewed by the Board and are asked to join the Board where consensus regarding the nominee is obtained.

## **Compensation**

The Company's NC&CG Committee is comprised of three directors: Richard Colterjohn, John Dorward and Craig Parry; however, the Board has not adopted a written mandate or formal procedure with respect to determining compensation for the directors and NEOs.

The NC&CG Committee conducts annual reviews of the CEO, directors, and executive officers and makes recommendations to the Board. Refer to "*Oversight and Description of Director and NEO Compensation*" above for a detailed description of the Company's compensation policies.

## **Other Board Committees**

At the present time, the Company has the following standing committees:

- ◆ Nominating, Compensation and Governance Committee (see "*Oversight and Description of Director and NEO Compensation*" and "*Compensation*" above); and
- ◆ audit committee (the "**Audit Committee**") (see "*Audit Committee*" below).

## **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board monitors, but does not formally assess, the performance of individual Board members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the

future should circumstances warrant. Based on the Company's size and its stage of development, the Board considers a formal assessment process to be inappropriate at this time.

### **Audit Committee**

NI 52-110 requires the Company's Audit Committee to meet certain requirements. It also requires the Company to disclose in this Information Circular certain information regarding the Audit Committee. That information is disclosed below.

#### Overview

The Audit Committee's mandate includes reviewing: (i) the financial statements, reports and other financially-based information provided to shareholders, regulators and others; (ii) the internal controls that management and the Board have established; and (iii) the audit, accounting and financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system, reviews and appraises the work of the external auditors, and provides an open avenue of communication between the external auditors, senior management and the Board.

#### The Audit Committee Charter

The Company's Board has adopted an Audit Committee Charter which sets out the Audit Committee's mandate, organization, powers and responsibilities. A copy of the Audit Committee Charter is attached hereto as Schedule "B".

#### Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors consisting of Christian Kargl-Simard, James Pettit and Patrick Glazier. The following table sets out the names of the members of the Audit Committee and whether they are 'independent' and 'financially literate' for the purposes of NI 52-110.

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Christian Kargl-Simard	Yes	Yes
James Pettit	Yes	Yes
Patrick Glazier	Yes	Yes

Notes:

- (1) To be independent, a member of the Audit Committee must not have any direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Accordingly, an executive officer of the Company is not independent, nor is a director that is paid consulting fees for non-director services provided to the Company.
- (2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

#### Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;

- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more persons engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting, are as follows:

<b>Member</b>	<b>Education/Experience</b>
Christian Kargl-Simard	Mr. Kargl-Simard has over 17 years of experience in the mining industry, having worked both in technical and finance roles, and is currently the President and CEO of Adventus Mining Corp. Prior to starting Adventus, he worked for 10 years in investment banking roles at Raymond James Ltd. and Haywood Securities Inc. Mr. Kargl-Simard is a professional engineer (Canada) and holds a B.A.Sc. degree in Metallurgical Engineering from the University of British Columbia.
James Pettit	Mr. Pettit has over 20 years experience serving as a director or executive officer of a public company in Canada. Mr. Pettit currently serves on the board of RevoluGROUP Canada Inc., Skyharbour Resources Ltd., Aben Resources Ltd., Cypress Development Corp., and Rockridge Resources Ltd. all of which trade on the Exchange. Mr. Pettit is a member of the audit committee for each of those companies.
Patrick Glazier	Mr. Glazier has held a number of senior positions and has an extensive background in the forest and mining industry. He is the CEO of East Fraser Fiber Co Ltd.

*Audit Committee Oversight*

Since the commencement of the Company’s most recent financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

*Reliance on Exemptions in NI 52-110 – Audit Committee Composition & Reporting Obligations*

Since the Company is a “**venture issuer**” (as such term is defined in NI 52-110), it is relying on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 5 *Reporting Obligations* of NI 52-110 (which requires certain prescribed disclosure about an audit committee in the Company’s Annual Information Form, if any, and this Information Circular).

*Pre-Approval Policies and Procedures*

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter, attached hereto as Schedule “B”.

*External Auditor Service Fees (By Category)*

The following table discloses the fees billed to the Company by its external auditor during the last two financial years.

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
March 31, 2022	\$19,500	Nil	Nil	Nil
March 31, 2021	\$19,500	Nil	Nil	Nil

**Notes:**

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. These services include the filing of the Company's annual tax returns.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. Financial Statements and Auditor's Report**

The Board has approved the audited financial statements for the fiscal year ended March 31, 2022, together with the auditor's report thereon, copies of which have been sent to those shareholders who had requested receipt of same. Copies of these materials are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **2. Set Number of Directors**

Management of the Company intends to propose a resolution to set the number of directors at seven (7).

**Management recommends a vote "FOR" the approval of the foregoing resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the foregoing resolution.**

### **3. Election of Directors**

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed, unless the office is vacated earlier in accordance with the Articles of the Company and the *Business Corporations Act* (British Columbia) or unless a director becomes disqualified to act as a director. Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until the next annual general meeting of the Company or until their successors are elected or appointed.

The following table sets out the names of management's nominees for election as directors, the province or state and the country in which each is ordinarily resident, all offices of the Company now held by each of them, if any, their principal occupations or employment during the past five years, the period of time each has been a director of the Company, and the number of Common Shares beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the Record Date.

<b>Name, Province or State, Resident Country, Position(s) with Company<sup>(1)</sup></b>	<b>Principal Occupation and, if not at Present an Elected Director, Employment</b>	<b>Date(s) Served as a Director</b>	<b>Common Shares Held<sup>(1)</sup></b>
Leif Nilsson Ontario, Canada <i>CEO and Director</i>	Chief Executive Officer of the Company	Since June 2021	320,000
Shane Ebert British Columbia, Canada <i>President, VP, Exploration and Director</i>	President and VP, Exploration of the Company; President, CEO & Director of CANEX Metals Inc. (March 2003 to present); Director of CopAur Minerals Inc. (formerly International Samuel Exploration Corp.) (January 2012 to June 2018); Director of Jade	Since March 2011	1,424,799



Name, Province or State, Resident Country, Position(s) with Company <sup>(1)</sup>	Principal Occupation and, if not at Present an Elected Director, Employment	Date(s) Served as a Director	Common Shares Held <sup>(1)</sup>
	Leader Corp (formerly Manson Creek Resources Ltd.) (2003 to present); and President of Vector Resources Corporation (November 2000 to present).		
Christian Kargl-Simard <sup>(2)</sup> Ontario, Canada <i>Chairman and Director</i>	President, CEO, and Director of Adventus Mining Corp. (December 2016 to present).	Since September 2020	2,514,800
Patrick Glazier <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Chairman of the Company (February 2016 to present) and President of East Fraser Fiber Co. Ltd. (1990 to present).	Since August 2009	9,038,678
James Pettit <sup>(2)</sup> British Columbia, Canada <i>Director</i>	Chairman & Director of RevoluGROUP Canada Inc. (January 2002 to present); President & Director of Aben Resources Ltd (May 2000 to present); Director of Cypress Development Corp. (November 2002 to present); Chairman & Director of Skyharbour Resources Ltd. (June 1999 to present); and Director of Rockridge Resources Ltd. (September 2016 to present); Director of Apogee Minerals.	Since December 2003	1,306,472
Richard Colterjohn <sup>(3)</sup> Ontario, Canada <i>Director</i>	Managing Partner and Principal of Glencoban Capital Management Inc. (2003 to present); a private investment company. Founder, President and CEO of Centenario Copper Corporation from 2004 until the sale of the company in 2009; Director of Roxgold Inc. (October 2012 to July 2021); Chairman of Aurico Metals Inc. (July 2015 to January 2018); Director of Mag Silver Corp. (October 2007 to June 2019); Director of Harte Gold Corp. (from February 2017 to March 2019).	Since September 2021	2,635,000
John Dorward <sup>(3)</sup> Victoria, Australia <i>Director</i>	President, CEO, and Director of Roxgold Inc. (December 2012 to July 2021); Chairman of Contact Gold Inc. (June 2017 to present); Vice-President, Business Development of Fronteer Gold Inc. prior to its sale to Newmont Mining Corporation in 2011; Chief Financial Officer of Mineral Deposits Limited (2006 to 2009).	Since September 2021	1,052,000

**Notes:**

- (1) The information as to country of residence, principal occupation and number of Common Shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Denotes member of the Audit Committee
- (3) Denotes member of the NC&CG Committee.

Management does not contemplate that any of its nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed above before the Meeting, then the persons designated by management of the Company in the enclosed Proxy intend to exercise discretionary authority to vote the shares represented by proxy for the election of any other persons as directors.

**Management recommends a vote “FOR” the approval of the foregoing resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the foregoing resolution.**

### Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no proposed director:

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

### Penalties and Sanctions

To the knowledge of the Company, no proposed director:

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

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company.

## **4. Re-Appointment of Auditors**

Shareholders of the Company will be asked to vote for the re-appointment of DeVisser Gray LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the next annual general meeting of shareholders of the Company, at a remuneration to be fixed by the directors. DeVisser Gray LLP were initially appointed as auditor of the Company on February 25, 2015 in place of BDO Dunwoody.

**Management recommends a vote “FOR” the approval of the foregoing resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the foregoing resolution.**

## **5. Approval of Plan Resolution**

In accordance with the policies of the TSXV, the Plan Resolution must be passed by a majority of the votes cast on the ordinary resolution by all shareholders at the Meeting. The Plan Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote.

As of date of this Information Circular, there are 11,890,000 Options, 1,150,000 RSUs and 750,000 DSUs outstanding (inclusive of 11,890,000 Options under the Stock Option Plan and 1,150,000 RSUs and 750,000 DSUs under the Share Compensation Plan) reserving for issuance of a total of 13,790,000 Common Shares, being approximately a total of 8.1% of the issued and outstanding Common Shares. If the Plan Resolution is approved by the shareholders, an additional 3,159,985 Options, RSUs and DSUs will be available for grant based on the number of 169,499,856 issued and outstanding Common Shares as of the date of this Information Circular.

The Plan Resolution is as follows:

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

1. The Share Compensation Plan, as described in and attached as Schedule “A” to the Information Circular, with the award or grant of RSUs, Options and DSUs thereunder in accordance therewith, be ratified, confirmed and approved and shall continue and remain in effect until further ratification is required pursuant to the rules of the TSXV or other applicable regulatory requirements.
2. The maximum number of Common Shares reserved for issuance under the Share Compensation Plan shall be no more than 10% of the Company’s issued and outstanding share capital at the time of any RSU, Option or DSU award or grant.
3. For greater certainty, any RSUs and DSUs that must be settled in cash in accordance with the RSU agreement and DSU Agreement approved by the administrators of the Share Compensation Plan at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Share Compensation Plan as required by the policies of the TSXV.
4. The Company be authorized and directed to issue such Common Shares pursuant to the Share Compensation Plan as fully paid and non-assessable Common Shares.
5. Any one director or officer of the Company be authorized to make any changes to the Share Compensation Plan, as may be required or permitted by the TSXV.
6. Any one director or officer of the Company be authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

The Plan Resolution must be approved by a simple majority approval of the votes cast by the holders of Common Shares. If the Share Compensation Plan is not approved by the shareholders, the Company will have to consider other methods of compensating and providing incentives to directors, officers, employees and consultants.

**Management recommends a vote “FOR” the approval of the Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the Plan Resolution.**

## **6. Approval of Issuances of RSUs and DSUs**

As of date of this Information Circular, there are 11,890,000 Options, 1,150,000 RSUs and 750,000 DSUs outstanding (inclusive of 11,890,000 Options under the Stock Option Plan and 1,150,000 RSUs and 750,000 DSUs under the Share Compensation Plan). 1,150,000 RSUs and 750,000 DSUs were granted after the Board approved the Share Compensation Plan. None of these RSUs and DSUs granted have been exercised or vested.

In accordance with section 5.2 of TSXV Policy 4.4, TSXV will generally permit the Company’s grants or issuances of Security Based Compensation under the Share Compensation Plan, prior to the requisite shareholder approval of the Plan Resolution having been obtained provided that the Company also obtains specific shareholder approval for such grants and issuances, and such approval must be separate and apart from the shareholder approval of the Plan Resolution.

The Company is seeking the approval of disinterested shareholders to pass the following ordinary resolution (the “**RSU and DSU Resolution**”) to ratify, confirm and approve the issuances of 1,150,000 RSUs and 750,000 DSUs under the Share Compensation Plan. Such approval is required under TSXV Policy 4.4. In the event that the RSU and DSU Resolution is not approved by the disinterested shareholders of Surge, the Company intends to settle the award of 1,150,000 RSUs and 750,000 DSUs in cash in accordance with the terms of the Share Compensation Plan.

To be passed, the RSU and DSU Resolution must be approved by a majority of votes cast by disinterested shareholders entitled to vote. A total of 22,488,709 Common Shares held by the Company’s directors and officers namely, Leif Nilsson, Shane Ebert, Mark Wheeler, Chantelle Collins, Taryn Downing, Christian Kargl-Simard, Patrick Glazier, Craig Parry, Richard Colterjohn, James Pettit John Dorward, will be excluded. The Board recommends that disinterested shareholders vote in favour of the RSU and DSU Resolution.

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

1. Subject to the approval of the Share Compensation Plan by the TSXV, the grants or awards of 1,150,000 RSUs and 750,000 DSUs on January 11, 2022 by the Company on the terms and conditions as set forth in the Share Compensation Plan, to the persons eligible to receive such RSUs and DSUs be ratified, confirmed and approved.
2. Any one director or officer of the Company be authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”

**Management recommends a vote “FOR” the approval of the RSU and DSU Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the approval of the RSU and DSU Resolution.**

## **OTHER BUSINESS**

Management of the Company is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. Given the fact that voting will only be permitted by proxy, management does not intend to allow new matters not contemplated in the Notice of Meeting to be considered at the Meeting.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company and its operations is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is also provided on the SEDAR website in the Company's comparative financial statements and management's discussion and analysis for the most recently completed financial year.

Shareholders may also obtain a copy of the Company's financial statements and management's discussion and analysis upon request to the Company by mail at Suite 888, 700 West Georgia Street, Vancouver, British Columbia V7Y 1G5.

## **BOARD APPROVAL**

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

DATED this 9th day of August, 2022.

## **BY ORDER OF THE BOARD OF DIRECTORS**

*"Leif Nilsson"*

Leif Nilsson  
Chief Executive Officer

**Schedule "A"**  
**to Information Circular of**  
**Surge Copper Corp.**

**SHARE COMPENSATION PLAN**

**SURGE COPPER CORP.  
SHARE COMPENSATION PLAN**

**1. DEFINITIONS AND INTERPRETATION**

1.1 **Definitions:** For purposes of the Plan, unless the context requires otherwise, the following words and terms shall have the following meanings:

- (a) **“1933 Act”** means the United States Securities Act of 1933, as amended;
- (b) **“Administrators”** means the Board or such other persons as may be designated by the Board from time to time;
- (c) **“affiliate”** has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (d) **“Associate”** has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (e) **“Award Date”** means: (i) for Restricted Share Units, the date or dates on which an award of Restricted Share Units is made to a Participant in accordance with section 0; and (ii) for Deferred Share Units, the date or dates on which an award of Deferred Share Units is made to a Participant in accordance with section 00;
- (f) **“Blackout Period”** means the period during which designated Directors, Officers and Employees of the Corporation cannot trade the Common Shares as a result of the bona fide existence of undisclosed material information pursuant to the Corporation’s policy respecting restrictions on Directors’, Officers’ and Employee trading which is in effect at that time (which, for greater certainty, (i) does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an insider, that insider is subject, and (ii) shall expire following the general disclosure of undisclosed material information);
- (g) **“Board”** means the board of directors of the Corporation from time to time;
- (h) **“Business Day”** means each day other than a Saturday, Sunday or statutory holiday in Vancouver, British Columbia, Canada;
- (i) **“Canadian Participant”** means a Participant who is a resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (j) **“Cash Fees”** has the meaning ascribed to that term in subsection 0;
- (k) **“Change of Control”** means:
  - (i) the acceptance of an Offer by a sufficient number of holders of voting shares in the capital of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation),
  - (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting

shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation or any parent entity, or

- (iii) the completion of a sale whereby all or substantially all of the Corporation's undertakings and assets become the property of any other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale;
- (l) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended;
- (m) "**Common Shares**" means the common shares of the Corporation;
- (n) "**Consultant**" means an individual (other than a Director, Officer or Employee of the Corporation or any of its Subsidiaries) or company that is not a U.S. Person that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to an offer or sale of securities of the Corporation in a capital-raising transaction, or services that promote or maintain a market for the Corporation's securities;
  - (ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the company, as the case may be; and
  - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries.
- (o) "**Corporation**" means Surge Copper Corp., a corporation existing under the *Business Corporations Act* (British Columbia) and the successors thereof;
- (p) "**Discounted Market Price**" has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (q) "**Deferred Share Unit**" or "**DSU**" means any right granted under Article 6 of this Plan;
- (r) "**Deferred Share Unit Agreement**" has the meaning ascribed to that term in section 3.2;
- (s) "**Director**" means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;
- (t) "**Director Fees**" means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;
- (u) "**DSU Account**" has the meaning ascribed to that term in section 0.



- (v) **“Effective Date”** means January 11, 2022;
- (w) **“Electing Person”** means a Participant who is, on the applicable Election Date, a Director who is not an Employee;
- (y) **“Elected Amount”** has the meaning set forth in subsection 0;
- (z) **“Election Date”** means the date on which the Electing Person files an Election Notice in accordance with subsection 0;
- (a) **“Election Notice”** has the meaning set forth in subsection 0;
- (b) **“Eligible Person”** means any Director, Officer, Employee, Management Company Employee or Consultant to whom an award has been granted under this Plan;
- (c) **“Employee”** means an individual who:
  - (i) is considered an employee of the Corporation or a Subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or
  - (ii) works full-time or part-time on a regular weekly basis for the Corporation or a Subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a Subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such Subsidiary, and, for greater certainty, includes any Executive Chairman of the Corporation.
- (d) **“Event of Termination”** means an event whereby a Participant ceases to be an Eligible Person and shall be deemed to have occurred by the giving of any notice of termination of employment or service (whether voluntary or involuntary, whether with or without cause and whether with or without reason), retirement, or any cessation of employment or service for any reason whatsoever, including disability or death;
- (e) **“Exchange”** means any stock exchange or quotation system in Canada where the Common Shares are listed on or through which the Common Shares are listed or quoted;
- (f) **“Exercise Price”** means the price at which a Common Share may be purchased pursuant to the exercise of an Option;
- (g) **“Grant Date”** means the date on which a grant of Options is made to a Participant in accordance with section 5.1;
- (h) **“In-the-Money Amount”** has the meaning ascribed to that term in subsection 0;
- (i) **“insider”** has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (j) **“Insider Participant”** means a Participant who is (i) an insider of the Corporation or any of its Subsidiaries, and (ii) an associate of any person who is an insider by virtue of (i);

- (k) **“Investor Relations Activities”** means any activities, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
    - (A) to promote the sale of products or services of the Corporation, or
    - (B) to raise public awareness of the Corporation, that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
  - (ii) activities or communications necessary to comply with the requirements of:
    - (A) applicable Securities Laws;
    - (B) the by-laws, rules or other regulatory instruments of the Exchange or any other self-regulatory body or exchange having jurisdiction over the Corporation;
  - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
    - (A) the communication is only through the newspaper, magazine or publication, and
    - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
  - (iv) activities or communications that may be otherwise specified by the Exchange;
- (l) **“Investor Relations Service Provider”** all includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (m) **“Management Company Employee”** means an individual employed by a company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;
- (n) **“Market Price”** means the “Market Price” (as such term is defined in Policy 1.1 of the TSXV) of the Common Shares, or if the Common Shares are not listed on a stock exchange, the Market Price shall be determined in good faith by the Administrators;

- (o) **“Offer”** means a bona fide arm’s length offer made to all holders of voting shares in the capital of the Corporation to purchase, directly or indirectly, voting shares in the capital of the Corporation;
- (p) **“Officer”** means (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;
- (q) **“Option”** means an option granted to an Eligible Person under the Plan to purchase Common Shares;
- (r) **“Option Agreement”** has the meaning ascribed to that term in section 3.2;
- (s) **“Option Exercise Notice”** has the meaning ascribed to that term in section 5.5;
- (t) **“Participant”** means an Eligible Person selected by the Administrators to participate in the Plan in accordance with section 3.1 hereof;
- (u) **“Payout Date”** means the day on which the Corporation pays to a Participant the Market Price of the Restricted Share Units that have become vested and payable;
- (v) **“Plan”** means this share compensation plan, as amended, replaced or restated from time to time;
- (w) **“reserved for issuance”** refers to Common Shares that may be issued in the future upon the vesting of Restricted Share Units which have been awarded and upon the exercise of Options which have been granted;
- (x) **“Restricted Share Unit”** means a right granted to a Participant in accordance with section 0 hereof as compensation for employment or consulting services or services as a Director or Officer to receive, for no additional cash consideration, one Common Share or a lump sum payment in cash that becomes vested in accordance with section 4.3;
- (y) **“Restricted Share Unit Agreement”** has the meaning ascribed to that term in section 3.2;
- (z) **“RSU Account”** has the meaning attributed to that term in section 4.8;
- (aa) **“Securities Laws”** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Corporation;
- (bb) **“Security Based Compensation”** means any Options and Restricted Share Units granted or issued under this Plan but, as the context requires, also includes any deferred share unit, performance share unit, restricted share unit, securities for services, stock appreciation right, stock option, stock purchase plan, any security purchase from treasury by a Participant which is financially assisted by the Corporation by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation from treasury to an Eligible Person under any other Share Compensation Arrangement, and for greater certainty, does not include:
- (cc) **“Share Compensation Arrangement”** means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism

involving the issuance or potential issuance of Common Shares to Directors, Officers and Employees of the Corporation and any of its Subsidiaries or to Consultants;

- (dd) **"Shares for Services"** has the meaning ascribed to that phrase in Policy 4.3 - *Share for Debt*;
  - (ee) **"Subsidiary"** has the meaning ascribed thereto in the *Securities Act* (British Columbia) and **"Subsidiaries"** shall have a corresponding meaning;
  - (ff) **"Termination Date"** means the date a Participant ceases to be an Eligible Person and, unless otherwise provided herein, does not include any period of statutory, contractual or reasonable notice or any period of salary continuance or deemed employment. Notwithstanding the foregoing, in the case of a U.S. Participant, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" (as defined in Treas. Reg. 1.409A-1(h)) with the Corporation or any of its Subsidiaries.
  - (gg) **"TSXV"** means the TSX Venture Exchange;
  - (hh) **"United States"** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
  - (ii) **"U.S. Participant"** means a Participant who is a citizen of the United States or a resident of the United States, as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the Code and any other Participant who is subject to tax under the Code with respect to compensatory awards granted pursuant to the Plan;
  - (jj) **"U.S. Person"** means a "U.S. person", as such term is defined in Regulation S under the 1933 Act;
  - (kk) **"Withholding Obligations"** has the meaning ascribed to that term in section 4.6; and
  - (ll) **"VWAP"** means the volume weighted average trading price of the Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the relevant date. Where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.
- 1.2 **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.
- 1.3 **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.
- 1.4 **References to this Plan:** The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.

- 1.5 **Currency:** All references in this Plan or in any agreement entered into under this Plan to “dollars”, “\$” or lawful currency shall be references to Canadian dollars, unless the context otherwise requires.

## 2. PURPOSE AND ADMINISTRATION OF THE PLAN

- 2.1 **Purpose:** The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, and its shareholders by: (i) ensuring that the interests of Eligible Persons are aligned with the success of the Corporation and its Subsidiaries; (ii) encouraging stock ownership by Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate Eligible Persons.

### 2.2 Common Shares Subject to the Plan:

- (a) *General:* This Plan is a “rolling up to 10%” omnibus plan whereby the total number of Common Shares that are issuable pursuant to all Security Based Compensation granted or awarded hereunder, in aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares as of the date of grant or award (together with any Common Shares issuable pursuant to any other Share Compensation Arrangement). For greater certainty, any Restricted Share Units and Deferred Share Units that must be settled in cash in accordance with the Restricted Share Unit Agreement and the Deferred Share Unit Agreement approved by the Administrators at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Plan as required by the policies of the Exchange.
- (b) *Limits for Individuals:* Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Participant.
- (c) *Limits for Consultants:* The maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to any one Consultant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Consultant.
- (d) *Limits for Investor Relations Service Providers:* The maximum aggregate number of Common Shares issuable pursuant to all Options granted to all Investor Relations Service Providers under the Plan in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Option is granted to such Investor Relations Services Provider; provided, that Options granted to any and all Investor Relations Service Providers must vest in stages over a period of not less than 12 months such that:
- (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;

- (ii) no more than 1/4 of the Options vest no sooner than six months after the Options were granted;
- (iii) no more than 1/4 of the Options vest no sooner than nine months after the Options were granted; and
- (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.

### 2.3 Other Terms of the Plan

- (a) All Security Based Compensation granted or issued hereunder is non-assignable and non-transferable.
- (b) Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares at any point in time.
- (c) Unless the Corporation obtains disinterested shareholder approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider Participant.
- (d) For greater certainty, Investor Relations Service Providers may not receive any Security Based Compensation other than Options.
- (e) Any Security Based Compensation granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within 12 months following the date the Participant ceases to be an Eligible Person under the Plan.

### 2.4 Administration of the Plan: The Plan shall be administered by the Administrators, through the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board. Subject to any limitations of the Plan, the Administrators shall have the power and authority to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) determine the eligibility of persons to participate in the Plan in accordance with section 3 herein;
- (c) determine when Restricted Share Units, Options and Deferred Share Units to Eligible Persons shall be awarded or granted, the number of Restricted Share Units, Options and Deferred Share Units to be awarded or granted, the vesting criteria for each award of Restricted Share Units, the vesting period for each grant of Options and the vesting period for each award of Deferred Share Units;

- (d) interpret and construe the provisions of the Plan and any agreement or instrument under the Plan;
- (e) require that any Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable laws, including without limitation, exemptions from the registration requirements of the 1933 Act and applicable state securities laws; and
- (f) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

### 3. ELIGIBILITY AND PARTICIPATION IN PLAN

3.1 **The Plan and Participation:** The Plan is hereby established for Eligible Persons. Restricted Share Units may be awarded and Options may be granted to any Eligible Person as determined by the Administrators in accordance with the provisions hereof. Deferred Share Units may be awarded only to Directors who are not Employees in accordance with the provisions hereof. The Corporation and each Participant acknowledge that they are responsible for ensuring and confirming that such Participant is a bona fide Eligible Person entitled to receive Options, Restricted Share Units or Deferred Share Units, as the case may be.

3.2 **Agreements:** All Restricted Share Units awarded hereunder shall be evidenced by a restricted share unit agreement ("**Restricted Share Unit Agreement**") between the Corporation and the Participant, substantially in the form set out in Exhibit A or in such other form as the Administrators may approve from time to time. All Options granted hereunder shall be evidenced by an option agreement ("**Option Agreement**") between the Corporation and the Participant, substantially in the form as set out in Exhibit B or in such other form as the Administrators may approve from time to time. All Deferred Share Units awarded hereunder shall be evidenced by a deferred share unit agreement ("**Deferred Share Unit Agreement**") between the Corporation and the Participant, substantially in the form set out in Exhibit D or in such other form as the Administrators may approve from time to time.

### 4. AWARD OF RESTRICTED SHARE UNITS

4.1 **Award of Restricted Share Units:** The Administrators may, at any time and from time to time, award Restricted Share Units to Eligible Persons (other than Eligible Persons providing Investor Relations Activities). In awarding any Restricted Share Units, the Administrators shall determine:

- (a) to whom Restricted Share Units pursuant to the Plan will be awarded;
- (b) the number of Restricted Share Units to be awarded and credited to each Participant's RSU Account;
- (c) the Award Date; and
- (d) subject to section 4.3 hereof, the applicable vesting criteria.

Upon the award of Restricted Share Units, the number of Restricted Share Units awarded to a Participant shall be credited to the Participant's RSU Account effective as of the Award Date.

- 4.2 **Restricted Share Unit Agreement:** Upon the award of each Restricted Share Unit to a Participant, a Restricted Share Unit Agreement shall be delivered by the Administrators to the Participant.
- 4.3 **Vesting:**
- (a) Subject to subsections (c) and (d) below, at the time of the award of Restricted Share Units, the Administrators shall, subject to Exchange rules, determine in their sole discretion the vesting criteria applicable to such Restricted Share Units provided that, subject to sections 0 and 0, no Restricted Share Units may vest before the date that is one year following the date of grant or issue.
  - (b) For greater certainty, the vesting of Restricted Share Units may be determined by the Administrators to include criteria such as performance vesting, in which the number of Common Shares (or cash equivalent) to be delivered to a Participant for each Restricted Share Unit that vests may fluctuate based upon the Corporation's performance and/or the Market Price of the Common Shares, in such manner as determined by the Administrators in their sole discretion.
  - (c) Each Restricted Share Unit shall be subject to vesting in accordance with the terms set out in the Restricted Share Unit Agreement.
  - (d) Notwithstanding anything to the contrary in this Plan, all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit shall be completed no later than December 15 of the third calendar year commencing after the Award Date for such Restricted Share Unit.
- 4.4 **Blackout Periods:** Should the date of vesting of a Restricted Share Unit fall within a Blackout Period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the date of vesting for such Restricted Share Unit for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 4.4 may not be extended by the Board.
- 4.5 **Vesting and Settlement:** As soon as practicable after the relevant date of vesting of any Restricted Share Units awarded under the Plan and with respect to a U.S. Participant, no later than 60 days thereafter, but subject to subsection 4.3(d), a Participant shall be entitled to receive and the Corporation shall issue or pay (at its discretion):
- (a) a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant's RSU Account multiplied by the Market Price of a Common Share on the Payout Date;
  - (b) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units in the Participant's RSU Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or
  - (c) any combination of the foregoing.
- 4.6 **Taxes and Source Deductions:** the Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other



required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit in connection with this Plan, any Restricted Share Units or any issuance of Common Shares (“**Withholding Obligations**”). Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit pursuant to the Withholding Obligations from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the vesting of any Restricted Share Units or the issue of any Common Shares; (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or (iii) settle a portion of vested Restricted Share Units of a Participant in cash equal to the amount the Corporation is required to remit, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on vesting of any Restricted Share Units may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

#### 4.7 **Rights Upon an Event of Termination:**

- (a) Subject to section 2.3(e), if an Event of Termination has occurred in respect of any Participant, any and all Common Shares corresponding to any vested Restricted Share Units in the Participant’s RSU Account shall be issued as soon as practicable after the Event of Termination to the former Participant in accordance with section 0 hereof. With respect to each Restricted Share Unit of a U.S. Participant, such Restricted Share Unit will be settled and shares issued as soon as practicable following the date of vesting of such Restricted Share Unit as set forth in the applicable Restricted Share Unit Agreement, but in all cases within 60 days following such date of vesting.
- (b) If an Event of Termination has occurred in respect of any Participant, any unvested Restricted Share Units in the Participant’s RSU Account shall, unless otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an employment agreement or consulting agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (i) the vesting schedule set out in the applicable Restricted Share Unit Award Agreement and (ii) 12 months after the date of the Event of Termination. Subject to section 2.3(e), with respect to any Restricted Share Unit of a U.S. Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to a Restricted Share Unit that is unvested at the time of an Event of Termination, such Restricted Share Unit shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares delivered following the date of vesting of such Restricted Share Unit as set forth in the applicable Restricted Share Unit Agreement.
- (c) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Restricted Share Units in accordance with this section 4.7, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant’s death.

- (d) Subject to section 2.3(e) and the requirements set out in section 4.6 of TSXV Policy 4.4, notwithstanding the foregoing subsection 4.7(b), if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested performance-based Restricted Share Units in the Participant's RSU Account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable Restricted Share Unit Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.
- (e) Notwithstanding the foregoing subsection 4.7(b), for greater certainty, if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested Restricted Share Unit in the Participant's RSU Account shall forthwith and automatically be forfeited by the Participant and cancelled.
- (f) For the purposes of this Plan and all matters relating to the Restricted Share Units, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

4.8 **Restricted Share Unit Accounts:** A separate notional account for Restricted Share Units shall be maintained for each Participant (an "**RSU Account**"). Each RSU Account will be credited with Restricted Share Units awarded to the Participant from time to time pursuant to section 0 hereof by way of a bookkeeping entry in the books of the Corporation. On the vesting of the Restricted Share Units pursuant to section 4.3 hereof and the corresponding issuance of Common Shares to the Participant pursuant to section 0 hereof, or on the forfeiture and cancellation of the Restricted Share Units pursuant to section 4.7 hereof, the applicable Restricted Share Units credited to the Participant's RSU Account will be cancelled.

4.9 **Record Keeping:** the Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Restricted Share Units credited to each Participant's RSU Account;
- (c) any and all adjustments made to Restricted Share Units recorded in each Participant's RSU Account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

## 5. GRANT OF OPTIONS

5.1 **Grant of Options:** The Administrators may at any time and from time to time grant Options to Eligible Persons. In granting any Options, the Administrators shall determine:

- (a) to whom Options pursuant to the Plan will be granted;
- (b) the number of Options to be granted, the Grant Date and the Exercise Price of each Option;
- (c) subject to section 5.4 hereof, the expiration date of each Option; and

(d) subject to section 5.3 hereof, the applicable vesting criteria,

provided, however that the Exercise Price for a Common Share pursuant to any Option shall not be less than the Discounted Market Price on the Grant Date in respect of that Option, and with respect to Options granted to U.S. Participants, the Exercise Price shall not be less than the closing price of the Common Shares on any exchange in Canada where Common Shares are listed on the last trading day prior to the Grant Date. If the Corporation does not issue a news release to announce the grant and the exercise price of an Option, the Discounted Market Price is the last closing price of the Common Shares before the date of grant of the Option less the applicable discount.

5.2 **Option Agreement:** Upon each grant of Options to a Participant, an Option Agreement shall be delivered by the Administrators to the Participant.

5.3 **Vesting:**

(a) Subject to subsection 2.2(d) above with respect to grants to Eligible Persons providing Investor Relations Activities, at the time of the grant of any Options, the Administrators shall determine, in accordance with applicable vesting requirements of the Exchange, the vesting criteria applicable to such Options.

(b) The Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The Option Agreement will disclose any vesting conditions prescribed by the Administrators.

5.4 **Term of Option/Blackout Periods:** The term of each Option shall be determined by the Administrators; provided that no Option shall be exercisable after ten years from the Grant Date. Should the term of an Option expire on a date that falls within a Blackout Period formally imposed by the Corporation, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 5.4 may not be extended by the Board.

5.5 **Exercise of Option:**

Options that have vested in accordance with the provisions of this Plan and the applicable Option Agreement may be exercised at any time, or from time to time, during their term and subject to the provisions of sections 5.6, 0, 0 and 5.10 hereof as to any number of whole Common Shares that are then available for purchase thereunder; provided that no partial exercise may be for less than 100 whole Common Shares. Options may be exercised by delivery of a written notice of exercise to the Administrators, substantially in the form attached to this Plan as Exhibit C (the "**Option Exercise Notice**"), with respect to the Options, or by any other form or method of exercise acceptable to the Administrators.

5.6 **Regular Exercise; Payment and Issuance:**

(a) Upon actual receipt by the Corporation or its agent of the materials required by subsection 5.5 and receipt by the Corporation of cash, a cheque, bank draft or other form of acceptable payment for the aggregate Exercise Price, the number of Common Shares in respect of which the Options are exercised will be issued as fully paid and non-assessable shares and the Participant exercising the Options

shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares which are subject to Options until that person or entity becomes the holder of record of those Common Shares. No Common Shares will be issued by the Corporation prior to the receipt of payment by the Corporation for the aggregate Exercise Price for the Options being exercised.

- (b) Without limiting the foregoing, and unless otherwise determined by the Administrators or not compliant with any applicable laws, (i) cashless exercise of Options shall only be available to a Participant who was granted and is exercising such Options outside the United States as a non-U.S. Person in compliance with Regulation S under the 1933 Act at a time when the Common Shares are listed and posted for trading on an Exchange or market in Canada that permits cashless exercise, the Participant intends to immediately sell the Common Shares issuable upon exercise of such Options in Canada and the proceeds of sale will be sufficient to satisfy the Exercise Price of the Options, and (ii) if an eligible Participant elects to exercise the Options through cashless exercise and complies with any relevant protocols approved by the Administrators, a sufficient number of the Common Shares issued upon exercise of the Options will be sold in Canada by a designated broker on behalf of the Participant to satisfy the Exercise Price of the Options, the Exercise Price of the Options will be delivered to the Corporation and the Participant will receive only the remaining unsold Common Shares from the exercise of the Options and the net proceeds of the sale after deducting the Exercise Price of the Options, applicable taxes and any applicable fees and commissions, all as determined by the Administrators from time to time. The Corporation shall not deliver the Common Shares issuable upon a cashless exercise of Options until receipt of the Exercise Price therefor, whether by a designated broker selling the Common Shares issuable upon exercise of such Options through a short position or such other method determined by the Administrators in compliance with applicable laws.

5.7 **Cashless Exercise:** Subject to prior approval by the Administrators, and provided that the Common Shares are listed and posted for trading on an Exchange or market that permits cashless exercise, a Participant may elect cashless exercise in its Option Exercise Notice. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate Exercise Price referred to above. Instead the following provisions will apply:

- (a) Whereby the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Common Shares underlying the Options. The brokerage firm then sells a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Common Shares from the exercise of the Options and the Participant then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares.
- (b) Before the relevant trade date, the Participant will deliver the Option Exercise Notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Participant's Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the

Options, against payment by the broker to the Corporation of (i) the Exercise Price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.

- (c) The broker will deliver to the Participant the remaining value of the Options, net of any brokerage commission or other expenses (the “**In-the-Money Amount**”), in either (i) cash in an amount equal to the In-the-Money-Amount, or (b) such number of Common Shares (rounded down to the nearest whole number) having a fair Market Price equal to the In-the-Money Amount, plus a cash amount equal to the fraction of a Common Share that would otherwise be issuable multiplied by the fair Market Price of a Common Share.

5.8 **Net Exercise:** Subject to prior approval by the Administrators, a Participant, excluding Investor Relations Service Providers, may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options under this section 0;

Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;

A = The VWAP of the Common Shares; and

B = The Exercise Price for such Options.

The Corporation may elect to forego any deduction in accordance with subsection 110(1.1) of the *Income Tax Act* (Canada) with respect to Options settled on a net exercise basis.

In the event of a cashless exercise or net exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Corporation, must be included in calculating the limits set forth in sections 2.2(a), 2.2(b), 2.2(c), 2.2(d), 2.3(b) and 0.

5.9 **Taxes and Source Deductions:** The Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit pursuant to the Withholding Obligations in connection with this Plan, any Options or any issuance of Common Shares. Without limiting the generality of the foregoing, the

Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit, pursuant to the Withholding Obligations, from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the exercise of any Options or the issue of any Common Shares; or (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on the exercise of Options may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

#### **5.10 Rights Upon an Event of Termination:**

- (a) If an Event of Termination has occurred in respect of a Participant, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall, unless otherwise determined by the Administrators in their discretion, vest before the earlier of (i) the vesting schedule set out in the applicable Option Agreement and (ii) 12 months after the date of the Event of Termination. There can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.
- (b) Except as otherwise stated herein or otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an employment agreement or consulting agreement with an Eligible Person (provided such determination does not exceed a maximum of one year), upon the occurrence of an Event of Termination in respect of a Participant, any vested Options granted to the Participant that are available for exercise may be exercised only before the earlier of:
  - (i) the expiry of the Option; and
  - (ii) six months after the date of the Event of Termination.
- (c) Notwithstanding the foregoing subsections 5.10(a) and (b), if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each Option held by the Participant, whether or not then exercisable, shall forthwith and automatically be cancelled and may not be exercised by the Participant.
- (d) For the purposes of this Plan and all matters relating to the Options, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).
- (e) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Options in accordance with this section 5.10, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

5.11 **Record Keeping:** The Corporation shall maintain an Option register in which shall be recorded:

- (a) the name and address of each holder of Options;
- (b) the number of Common Shares subject to Options granted to each holder of Options;
- (c) the term of the Option and Exercise Price, including adjustments for each Option granted; and
- (d) any other information which the Corporation considers appropriate to record in such register.

## 6. **AWARD OF DEFERRED SHARE UNITS**

### 6.1 **Award of Deferred Share Units:**

- (a) The Administrators may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person may be given, subject to the conditions stated herein, the right to elect in accordance with section 0 to participate in the grant of additional DSUs pursuant to this Article 6. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 6 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The “**Elected Amount**” shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the “**Cash Fees**”).
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form of Exhibit E hereto (the “**Election Notice**”) with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year in which the services giving rise to the compensation are performed (other than for Director Fees payable for the 2022 financial year to any Electing Person who is not a U.S. Participant as of the date of this Plan, in which case such Electing Person shall file the Election Notice by the date that is 30 days from the effective date of the Plan with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Participant, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of an existing Electing Person who is a U.S. Participant as of the Effective Date of this Plan and who was not eligible to participate in the Predecessor Plan or in any other deferred compensation plan required to be aggregated with this Plan for purposes of Section 409A of the Code, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election Date; and in the case of a newly appointed Electing Person who is a U.S. Participant, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

- (c) Subject to subsection (d), the election of an Electing Person under subsection 0 shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
  - (d) Each Electing Person who is not a U.S. Participant is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Exhibit F hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a Blackout Period. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with subsection 0, all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 6, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Participant to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Exhibit G is delivered.
  - (e) Any DSUs granted pursuant to this Article 6 prior to the delivery of a termination notice pursuant to Section (d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
  - (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Administrator, by (ii) the Market Price of a Common Share on the Award Date.
  - (g) In addition to the foregoing, the Administrators may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Administrators may prescribe, award DSUs to any Participant.
- 6.2 **Deferred Share Unit Agreement:** Upon the award of each Deferred Share Unit to a Participant, a Deferred Share Unit Agreement shall be delivered by the Administrators to the Participant.
- 6.3 **Vesting:** Subject to sections 0 and 0, Deferred Share Units shall vest on the date that is 12 months following the date of grant or issue.
- 6.4 **Blackout Periods:** Should the date of vesting of a Deferred Share Unit fall within a Blackout Period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the date of vesting for such Deferred Share Unit for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 0 may not be extended by the Board.



**6.5 Settlement:**

- (a) DSUs shall be settled on the date established in the Deferred Share Unit Agreement; provided, however that in no event shall a DSU be settled prior to a Participant's Termination Date, or, in the case of a Canadian Participant, later than one (1) year following the date of the applicable Canadian Participant's Termination Date. In the case of a Participant (other than a Canadian Participant), in no event shall a DSU be settled later than three (3) years following the date of the applicable Participant's Termination Date. If the Deferred Share Unit Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the Participant's Termination Date, subject to the delay that may be required pursuant to the Code in the case of a U.S. Participant. Subject to the Code in the case of a U.S. Participant, and except as otherwise provided in a Deferred Share Unit Agreement, on the settlement date for any DSU, each vested DSU will be redeemed for:

one fully paid and non-assessable Common Share issued from treasury to the Participant or as the Participant may direct, or

a cash payment, or

a combination of Common Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Administrators in their discretion.

- (b) Any cash payments made under this section 0 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

- 6.6 Taxes and Source Deductions:** the Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit pursuant to the Withholding Obligations in connection with this Plan, any Deferred Share Units or any issuance of Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit pursuant to the Withholding Obligations from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the vesting or settlement of any Deferred Share Units or the issue of any Common Shares; (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or (iii) settle a portion of vested Deferred Share Units of a Participant in cash equal to the amount the Corporation is required to remit, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on settlement of any Deferred Share Units may be made conditional upon the Participant (or

other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

**6.7 Rights Upon an Event of Termination:**

- (a) Subject to section 2.3(e), if an Event of Termination has occurred in respect of any Participant, any and all Common Shares corresponding to any vested Deferred Share Units in the Participant's DSU Account shall be issued as soon as practicable after the Event of Termination to the former Participant in accordance with section 0 hereof.
- (b) If an Event of Termination has occurred in respect of any Participant, any unvested Deferred Share Units in the Participant's DSU Account shall, unless otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (i) the vesting schedule set out in the applicable Deferred Share Unit Agreement and (ii) 12 months after the date of the Event of Termination.
- (c) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Deferred Share Units in accordance with this section 0, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.
- (d) Subject to section 2.3(e) and the requirements set out in section 4.6 of TSXV Policy 4.4, notwithstanding the foregoing subsection 0, if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested performance-based Deferred Share Units in the Participant's DSU Account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable Deferred Share Unit Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.
- (e) Notwithstanding the foregoing subsection 00, for greater certainty, if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested Deferred Share Unit in the Participant's DSU Account shall forthwith and automatically be forfeited by the Participant and cancelled.
- (f) For the purposes of this Plan and all matters relating to the Deferred Share Units, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

**6.8 Deferred Share Unit Account:** A separate notional account for Deferred Share Units shall be maintained for each Participant (which, for greater certainty includes Electing Persons) (a "**DSU Account**"). Each DSU Account will be credited with Deferred Share Units awarded to the Participant from time to time pursuant to section 0 hereof by way of a bookkeeping entry in the books of the Corporation.

**6.9 Record Keeping:** the Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;

- (b) the number of Deferred Share Units credited to each Participant's DSU Account;
- (c) any and all adjustments made to Deferred Share Units recorded in each Participant's DSU Account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

## **7. GENERAL**

**7.1 Effective Date of Plan:** The Plan shall be effective as of the Effective Date.

### **7.2 Change of Control:**

- (a) If there is a Change of Control transaction then, notwithstanding any other provision of this Plan except subsection 4.3(d) which will continue to apply in all circumstances, any or all unvested Restricted Share Units, any or all Options (whether or not currently exercisable) and any or all unvested Deferred Share Units shall automatically vest or become exercisable, as applicable, such that Participants under the Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such Restricted Share Units, Options and Deferred Share Units to the Corporation or a third party or exchanging such Restricted Share Units, Options or Deferred Share Units, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion, subject to any necessary Exchange approvals. For greater certainty, the occurrence of a Change of Control will not trigger the right of a Participant to receive a payment in respect of a Deferred Share Unit prior to a Termination Date for such Participant. For clarity, Restricted Share Units, Options or Deferred Share Units of a Participant will only be accelerated as contemplated in this subsection 0 if such Participant ceases to be an Eligible Person in connection with the Change of Control. Notwithstanding the foregoing, with respect to Options of U.S. Participants, any exchange, substitution or amendment of such Options will occur only to the extent and in a manner that will not result in the imposition of taxes under Section 409A of the Code, and with respect to Restricted Share Units or Deferred Share Units, as applicable, of U.S. Participants, any surrender or other modification of Restricted Share Units or Deferred Share Units, as applicable, will occur only to the extent such surrender or other modification will not result in the imposition of taxes under Section 409A of the Code. Notwithstanding the foregoing, there can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

### **7.3 Reorganization Adjustments:**

- (a) In the event of any declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation, distribution (other than normal course cash dividends) of company assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the Common Shares, the Administrators, in the

Administrators' sole discretion, may, subject to any relevant resolutions of the Board and any necessary Exchange approvals, and without liability to any person, make such changes or adjustments, if any, as the Administrators consider fair or equitable, in such manner as the Administrators may determine, to reflect such change or event including, without limitation, adjusting the number of Options, Restricted Share Units and Deferred Share Units outstanding under this Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the Exercise Price of Options outstanding under this Plan, provided that the value of any Option, Restricted Share Unit and Deferred Share Units immediately after such an adjustment, as determined by the Administrators, shall not exceed the value of such Option, Restricted Share Unit and Deferred Share Units prior thereto, as determined by the Administrators.

- (b) Notwithstanding the foregoing, with respect to Options, Restricted Share Units and Deferred Share Units of U.S. Participants, such changes or adjustments will be made in a manner so as to not result in the imposition of taxes under Section 409A of the Code and will comply with the requirements in subsection 4.3(d).
- (c) The Corporation shall give notice to each Participant in the manner determined, specified or approved by the Administrators of any change or adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes.
- (d) The Administrators may from time to time, subject to any necessary Exchange approvals, adopt rules, regulations, policies, guidelines or conditions with respect to the exercise of the power or authority to make changes or adjustments pursuant to section 0 or section 7.3(a). The Administrators, in making any determination with respect to changes or adjustments pursuant to section 0 or section 7.3(a) shall be entitled to impose such conditions as the Administrators consider or determine necessary in the circumstances, including conditions with respect to satisfaction or payment of all applicable taxes (including, but not limited to, withholding taxes).

#### 7.4 **Amendment or Termination of Plan:**

The Board may amend this Plan or any Restricted Share Unit or any Option or any Deferred Share Unit at any time without the consent of Participants provided that such amendment shall:

- (a) not adversely alter or impair any Restricted Share Unit previously awarded or any Option previously granted or any Deferred Share Unit previously awarded except as permitted by the provisions of section 7.3 hereof, and, with respect to Restricted Share Units, Options and Deferred Share Units of U.S. Participants, such amendment will not result in the imposition of taxes under Section 409A of the Code;
- (b) be subject to any regulatory approvals including, where required, the approval of the Exchange; and
- (c) be subject to shareholder approval, where required by the requirements of the Exchange, provided that shareholder approval shall not be required for the following amendments:
  - (i) amendments of a "housekeeping nature", including any amendment to the Plan or a Restricted Share Unit or Option or Deferred Share Unit that is

necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or a Restricted Share Unit or Option or deferred share unit to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein; and

- (ii) amendments that are necessary or desirable for Restricted Share Units or Options or Deferred Share Units to qualify for favourable treatment under any applicable tax law; and
- (d) be subject to disinterested shareholder approval in the event of any reduction in the Exercise Price, or the extension of the term, of any Option granted under the Plan to an Insider Participant.

For greater certainty and subject to approval by the TSX Venture Exchange (if applicable), shareholder approval shall be required in circumstances where an amendment to the Plan would:

- (a) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
- (b) increase the limits in section 2.2;
- (c) reduce the Exercise Price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower Exercise Price to the same person);
- (d) extend the term of any Option beyond the original term (except if such period is being extended by virtue of section 5.4 hereof); or
- (e) amend this section 7.4.

7.5 **Termination:** The Administrators may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Restricted Share Units shall be awarded and no further Options shall be granted and no further Deferred Share Units shall be awarded, but the Restricted Shares Units then outstanding and credited to Participants' RSU Accounts and the Options then outstanding and the Deferred Share Units then outstanding and credited to Participants' DSU Accounts shall continue in full force and effect in accordance with the provisions of this Plan. Any termination of this Plan shall occur in a manner that will not result in the imposition of taxes on a U.S. Participant under Section 409A of the Code.

7.6 **Transferability:** A Participant shall not be entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the Participant's Restricted Share Units or Options or Deferred Share Units or any rights the Participant has under the Plan.

7.7 **Rights as a Shareholder:** Under no circumstances shall the Restricted Share Units or Options or Deferred Share Units be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares (including, but not limited to, the right to dividend equivalent payments).

7.8 **Credits for Dividends:**

- (a) Subject to section 7.7(b), whenever cash or other dividends are paid on Common Shares, additional Restricted Share Units or Deferred Share Units, as applicable, will be automatically granted to each Participant who holds Restricted Share Units or Deferred Share Units, as applicable, on the record date for such dividends. The number of such Restricted Share Units or Deferred Share Units (rounded to the nearest whole Restricted Share Unit or Deferred Share Unit, as applicable) to be credited to such Participant as of the date on which the dividend is paid on the Common Shares shall be an amount equal to the quotient obtained when (i) the aggregate value of the cash or other dividends that would have been paid to such Participant if the Participant's Restricted Share Units or Deferred Share Units, as applicable, as of the record date for the dividend had been Common Shares, is divided by (ii) the Market Price of the Common Shares as of the date on which the dividend is paid on the Common Shares. Restricted Share Units and Deferred Share Units granted to a Participant pursuant to this section 0 shall be subject to the same vesting conditions (time and performance (as applicable)) as the Restricted Share Units and the Deferred Share Units, as applicable, to which they relate.
- (b) In the event that the number of Restricted Share Units or the Deferred Share Units, as applicable, to be granted in accordance with section 7.7(a) would result in the number of Common Shares issuable pursuant to all Security Based Compensation granted or awarded hereunder to exceed the limits set out in sections 2.2(a), 2.2(b), 2.2(c), 2.2(d), 2.3(b) and 0, such Restricted Share Units or Deferred Share Units, as applicable, shall not be granted and the Administrators may determine, in their sole discretion, to make a cash payment to the Participant in lieu thereof equal to the aggregate value determined pursuant to section 7.7(a).

**7.9 No Effect on Employment, Rights or Benefits:**

- (a) The terms of employment shall not be affected by participation in the Plan.
- (b) Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue as a director, officer, employee or Consultant nor interfere or be deemed to interfere in any way with any right of the Corporation, the Board or the shareholders of the Corporation to remove any Participant from the Board or of the Corporation or any Subsidiary to terminate any Participant's employment or agreement with a Consultant at any time for any reason whatsoever.
- (c) Under no circumstances shall any person who is or has at any time been a Participant be able to claim from the Corporation or any Subsidiary any sum or other benefit to compensate for the loss of any rights or benefits under or in connection with this Plan or by reason of participation in this Plan.

**7.10 Market Value of Common Shares:** The Corporation makes no representation or warranty as to the future market value of any Common Shares. No Participant shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted to or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the market value of the shares of the Corporation or a corporation related thereto.

#### 7.11 Compliance with Applicable Law:

- (a) If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith. Notwithstanding the foregoing, the Corporation shall have no obligation to register any securities provided for in this Plan under the 1933 Act.
- (b) The award of Restricted Share Units, the grant of Options, the award of Deferred Share Units and the issuance of Common Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the Exchange. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the award of a Restricted Share Unit, the grant of an Option, the award of a Deferred Share Unit or the issue of a Common Share upon the vesting of a Restricted Share Unit or exercise of an Option or settlement of a Deferred Share Unit, as applicable, that Restricted Share Unit may not vest in whole or in part, that Option may not be exercised in whole or in part and that the Deferred Share Unit may not vest in whole or in part, as applicable, unless that action shall have been completed in a manner satisfactory to the Administrators. In addition, unless the Restricted Share Units, the Options, the Deferred Share Units and the Common Shares issuable pursuant to the Restricted Share Units, Options and Deferred Share Units, as applicable, have been registered under the 1933 Act and any applicable U.S. state securities laws, all rights of a Participant under this Plan shall be subject to and conditioned upon the availability of exemptions or exclusions from the registration requirements of the 1933 Act and any applicable U.S. state securities, as determined by the Corporation in its sole discretion. Any Restricted Share Units or Options or Deferred Share Units granted or issued to a person in the United States or a U.S. Person, as well as the issue of Common Shares pursuant thereto, will result in any certificate representing such securities bearing a United States restrictive legend restricting transfer of such securities under United States federal and state securities laws.
- (c) If the Common Shares are listed on the TSX Venture Exchange and the award of Restricted Share Units, grant of Options or award of Deferred Share Units and the issuance of Common Shares under this Plan is made to a director, officer, promoter or other insider of the Corporation, and unless the respective award, grant or issuance or is qualified by prospectus, or issued under a securities take-over bid, rights offering, amalgamation, or other statutory procedure, then the Restricted Share Unit Agreement, Option Agreement or the Deferred Share Unit Agreement will bear an Exchange Hold Period, and the following legend will be inserted onto the first page of the Restricted Share Unit Agreement or Option Agreement:

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

\_\_\_\_\_, 20\_\_\_\_ [i.e., four months and one day after the date of grant].

- 7.12 **Governing Law:** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 7.13 **Subject to Approval:** The Plan is adopted subject to the approval of the Exchange and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.
- 7.14 **Special Terms and Conditions Applicable to U.S. Participants:** Options issued to U.S. Participants are intended to be exempt from Section 409A of the Code pursuant to Treas. Reg. Section 1.409A-1(b)(5)(i)(A) and the Plan and such Options will be construed and administered accordingly. Options may be issued to U.S. Participants under the Plan only if the shares with respect to the Options qualify as “service recipient stock” as defined in Treas. Reg. Section 1.409A-1(b)(5)(E)(iii). Restricted Share Units and Deferred Share Units awarded to U.S. Participants are intended to be compliant with Section 409A of the Code and such Restricted Share Units and Deferred Share Units will be construed and administered accordingly. Any waiver or acceleration of vesting under the Plan or any Restricted Share Unit Agreement for a U.S. Participant may occur only to the extent that such acceleration or waiver will not result in the imposition of taxes under Section 409A of the Code. Any payments made under this Plan or any Restricted Share Unit Agreement or any Deferred Share Unit Agreement to a U.S. Participant as a result of a termination of employment that are deemed to be subject to Section 409A of the Code shall occur only if such termination constitutes a “separation from service” as defined in Treas. Reg. 1.409A-1(h). Additionally, any payments resulting from a separation from service made to a U.S. Participant who is a “specified employee” as defined in Treas. Reg. 1.409A-1(i) shall be subject to the six month delay in payments required by Treas. Reg. 1.409A-1(3)(v) if such payments are deemed to be subject to Section 409A of the Code. Although the Corporation intends Options, Restricted Share Units and Deferred Share Units granted to U.S. Participants to be exempt from or compliant with Section 409A of the Code, the Corporation makes no representation or guaranty as to the tax treatment of such Options, Restricted Share Units and Deferred Share Units. Each U.S. Participant (and any beneficiary or the estate of the Participant, as applicable) is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with this Plan. Neither the Corporation nor any affiliate, nor any employee or director of the Corporation or an affiliate, shall have any obligation to indemnify or otherwise hold such U.S. Participant, beneficiary or estate harmless from any or all such taxes or penalties.

**APPROVED** by the shareholders of Corporation on the \_\_\_\_ day of \_\_\_\_\_, 2022.



## EXHIBIT A

THE RESTRICTED SHARE UNITS AND THE UNDERLYING COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].

### RESTRICTED SHARE UNIT AGREEMENT

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "**Restricted Share Grant Date**") Surge Copper Corp. (the "**Corporation**") has granted to \_\_\_\_\_ (the "**Participant**"), \_\_\_\_\_ Restricted Share Units pursuant to the Corporation's Share Compensation Plan (the "**Plan**"), a copy of which has been provided to the Participant.

Restricted Share Units are subject to the following terms:

- (a) Pursuant to the Plan and as compensation to the Participant, the Corporation hereby grants to the Participant, as of the Restricted Share Grant Date, the number of Restricted Share Units set forth above.
- (b) The granting and vesting of the Restricted Share Units and the payment by the Corporation of any payout in respect of any Vested Restricted Share Units (as defined below) are subject to the terms and conditions of the Plan, all of which are incorporated into and form an integral part of this Restricted Share Unit Agreement.
- (c) The Restricted Share Units shall become vested restricted share units (the "**Vested Restricted Share Units**") in accordance with the following schedule:
  - (i) **[Note: Insert vesting conditions]** (each a "**Vesting Date**").
- (d) As soon as reasonably practicable and no later than 60 days following the Vesting Date, or, if the Participant is not a U.S. Participant (as defined in the Plan), such later date mutually agreed to by the Corporation and the Participant, the Participant shall be entitled to receive, and the Corporation shall issue or provide, a payout with respect to those Vested Restricted Share Units in the Participant's Account to which the Vesting Date relates (each a "**Payout Date**");

a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant's Account multiplied by the Market Price of a Common Share on the Payout Date;

the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units in the Participant's Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or

any combination of the foregoing.

subject to any applicable Withholding Obligations.

- (e) The Participant acknowledges that:
- (i) he or she has received and reviewed a copy of the Plan; and
  - (ii) the Restricted Share Units have been granted to the Participant under the Plan and are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this Restricted Share Unit Agreement, including with respect to termination and forfeiture as set out in Section 4.7 of the Plan.

Notwithstanding anything to the contrary in this Restricted Share Unit Agreement all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit evidenced hereby shall be completed no later than December 15 of the third calendar year commencing after the Restricted Share Grant Date;

The grant of the Restricted Share Units evidenced hereby is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Restricted Share Units and the vesting of the Restricted Share Units. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Restricted Share Units, and (ii) either (A) the Participant is not in the United States or a U.S. Person, nor is the Participant acquiring the Restricted Share Units for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Corporation may condition awards and elections under the Plan upon receiving from the undersigned such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable U.S. state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Restricted Share Unit Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

**SURGE COPPER CORP.**

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

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

## EXHIBIT B

THE OPTIONS AND THE OPTIONED SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATION S UNDER THE 1933 ACT.

[Insert if required: WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].

### OPTION AGREEMENT

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") Surge Copper Corp. (the "Corporation") has granted to \_\_\_\_\_ (the "Participant"), Options to acquire \_\_\_\_\_ Common Shares (the "Optioned Shares") up to 4:30 p.m. Pacific Time on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Option Expiry Date") at an Exercise Price of Cdn\$\_\_\_\_\_ per Optioned Share pursuant to the Corporation's Share Compensation Plan (the "Plan"), a copy of which is attached hereto.

Optioned Shares may be acquired as follows:

- (a) [insert vesting provisions, if applicable]; and
- (b) [insert hold period when required].

The grant of the Options evidenced hereby and the Option Expiry Date thereof, is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Options, the exercise of the Options and the disposition of Optioned Shares. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Options, and (ii) either (A) the Participant is not in the United States or a U.S. Person, nor is the Participant acquiring the Options or any Optioned Shares for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Participant understands that the Options may not be exercised in the United States or by or on behalf of a U.S. Person unless the Options and the Option Shares

have been registered under the 1933 Act or are exempt from registration thereunder. The Corporation may condition the exercise of the Options upon receiving from the Participant such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Option Agreement and the Plan, the terms of the Plan shall prevail.

**SURGE COPPER CORP.**

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

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

**EXHIBIT C**

**NOTICE OF OPTION EXERCISE**

TO: **SURGE COPPER CORP.** (the “**Corporation**”)

FROM: \_\_\_\_\_

DATE: \_\_\_\_\_

The undersigned hereby irrevocably gives notice, pursuant to the Corporation’s Share Compensation Plan (the “**Plan**”), of the exercise of the Options to acquire and hereby subscribes for:

*[check one]*

- (a) all of the Optioned Shares; or
- (b) \_\_\_\_\_ of the Optioned Shares,

which are the subject of the Option Agreement attached hereto.

Calculation of total Exercise Price:

(i) number of Optioned Shares to be acquired on \_\_\_\_\_ Optioned Shares exercise

(ii) multiplied by the Exercise Price per Optioned Share: \$ \_\_\_\_\_

TOTAL EXERCISE PRICE, enclosed herewith (unless this is a cashless exercise): \$ \_\_\_\_\_

A.  The undersigned (i) at the time of exercise of these Options is not in the “United States” or a “U.S. Person” (as such terms are defined in Regulation S under the United States Securities Act of 1933, as amended (the “**1933 Act**”) and is not exercising these Options on behalf of a person in the United States or U.S. Person and (ii) did not execute or deliver this Notice of Option Exercise in the United States.

B.  The undersigned has delivered an opinion of counsel of recognized standing or other evidence in form and substance satisfactory to the Corporation to the effect that an exemption from the registration requirements of the 1933 Act, and applicable state securities laws is available for the issuance of the Optioned Shares.

Note: The undersigned understands that unless Box A is checked, the certificates representing the Optioned Shares will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available.

Note: Certificates representing Optioned Shares will not be registered or delivered to an address in the United States unless Box B above is checked.

Note: If Box B is checked, any opinion or other evidence tendered must be in form and substance satisfactory to the Corporation. Holders planning to deliver an opinion of counsel or other evidence in connection with the exercise of Options should contact the Corporation in advance to determine whether any opinions to be tendered or other evidence will be acceptable to the Corporation.

I hereby:

- (a) unless this is a cashless exercise, enclose a cheque payable to "Surge Copper Corp." for the aggregate Exercise Price plus the amount of the estimated Withholding Obligations and agree that I will reimburse the Corporation for any amount by which the actual Withholding Obligations exceed the estimated Withholding Obligations; or
- (b) advise the Corporation that I am exercising the above Options on a cashless exercise basis, in compliance with the procedures established from time to time by the Administrators for cashless exercises of Options under the Plan. I will consult with the Corporation to determine what additional documentation, if any, is required in connection with my cashless exercise of the above Options. I agree to comply with the procedures established by the Corporation for cashless exercises and all terms and conditions of the Plan. Please prepare the Optioned Shares certificates, if any, issuable in connection with this exercise in the following name(s):

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

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

Letter and consideration/direction received on \_\_\_\_\_, 20 \_\_\_\_\_.

**SURGE COPPER CORP.**

By: \_\_\_\_\_  
[Name]  
[Title]

EXHIBIT D

DEFERRED SHARE UNIT AGREEMENT

THE DEFERRED SHARE UNITS AND THE UNDERLYING COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL \_\_\_\_\_, 20\_\_\_\_ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Deferred Share Grant Date") Surge Copper Corp. (the "Corporation") has granted to \_\_\_\_\_ (the "Participant"), \_\_\_\_\_ Deferred Share Units pursuant to the Corporation's Share Compensation Plan (the "Plan"), a copy of which has been provided to the Participant.

Deferred Share Units are subject to the following terms:

1. The Deferred Share Units shall become vested deferred share units (the "**Vested Deferred Share Units**") on the 12 month anniversary of the Deferred Share Grant Date. **[Note: Insert performance criteria to vesting, if any.]**
2. The terms and conditions of the Plan, and the Participation and Election Agreement executed by the Participant named below, are hereby incorporated by reference as terms and conditions of this Deferred Share Unit Agreement and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings set out in the Plan.
  1. The determination by the Corporation of any question which may arise as to the interpretation or implementation of the Plan or any of the Deferred Share Units granted hereunder shall be final and binding on the Participant and other persons claiming or deriving rights through him or her.
  2. The Corporation's issuance of any Deferred Share Units or the obligation to make any payments under the Plan is subject to compliance with applicable laws. As a condition of participating in the Plan, the Participant agrees to comply with all such applicable laws and agrees to furnish to the Corporation all information and undertakings as may be required to permit compliance with such applicable laws.



3. Neither the Plan nor any action taken thereunder shall interfere with the right of the shareholders of the Corporation to remove a Participant from the Board.
4. This Deferred Share Unit Agreement and the rights of all parties and the construction of each and every provision hereof and of the Plan and any Deferred Share Units granted hereunder shall be construed according to the laws of the Province of British Columbia and the federal laws of Canada applicable therein, excluding reference to conflicts of laws principles.

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

**SURGE COPPER CORP.**

By: \_\_\_\_\_  
[Name]  
[Title]

**ACKNOWLEDGEMENT OF PARTICIPANT**

I have read the foregoing Deferred Share Unit Agreement and a copy of the Plan which has been provided to me and hereby accept the Deferred Share Units in accordance with and subject to the terms and conditions of this Deferred Share Unit Agreement and the Plan. I agree to be bound by the terms and conditions of this Deferred Share Unit Agreement and the Plan governing the award.

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Name of Director) [Please Print]

\_\_\_\_\_  
(Signature of Director)

**EXHIBIT E**

**ELECTION NOTICE**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Share Compensation Plan (the “**Plan**”) of Surge Copper Corp. (the “**Corporation**”).

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 6 of the Plan and to receive \_\_\_\_% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

1. I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
2. I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.
3. The value of DSUs is based on the value of the shares of the Corporation and therefore is not guaranteed.
4. To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan’s text.

Date:

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

**EXHIBIT F**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS (FOR PARTICIPANTS WHO ARE NOT U.S. PARTICIPANTS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Share Compensation Plan (the “**Plan**”) of Surge Copper Corp. (the “**Corporation**”).

Notwithstanding my previous election in the form Exhibit E of to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 6 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

**Note:** An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

**EXHIBIT G**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS**

**( U.S. PARTICIPANTS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Share Compensation Plan (the “**Plan**”) of Surge Copper Corp. (the “**Corporation**”).

Notwithstanding my previous election in the form of Exhibit E to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 6 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant

**Note:** An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

**Schedule “B”  
to Information Circular of  
Surge Copper Corp.**

**AUDIT COMMITTEE CHARTER**

**PURPOSE OF THE COMMITTEE**

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of the Corporation is to provide an open avenue of communication between management, the Corporation’s independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation’s financial reporting and disclosure practices;
- the Corporation’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation’s independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Corporation’s articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. A majority of the members of the Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee’s role is one of oversight. Management is responsible for preparing the Corporation’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with international financial reporting standards (“IFRS”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Corporation’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Corporation’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

## **AUTHORITY AND RESPONSIBILITIES**

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. review with management and the independent auditor the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditor's judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Corporation and all non-audit work performed for the Corporation by the independent auditor.
11. Establish and review the Corporation's procedures for the:
  - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.

12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.