

**NORAM LITHIUM CORP.**  
Suite 2150 - 555 West Hastings Street  
Vancouver, British Columbia, V6B 4N6

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**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 18, 2024**

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NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "**Meeting**") of Noram Lithium Corp. ("**Noram**" or the "**Company**") will be held at Suite 2150 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6 on Monday, March 18, 2024 at 10:30 a.m. (Pacific Time) for the following purposes:

1. To receive and consider the financial statements of the Company, together with the auditor's report thereon, for the fiscal year ended January 31, 2023;
2. To set the number of directors at five (5);
3. To elect directors to hold office until the next Annual General Meeting;
4. To re-appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants and authorize the directors to fix the auditor's remuneration;
5. To consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the adoption of the Company's new security-based compensation plan (the "**Omnibus Plan**"), as more particularly described in the attached Information Circular; and
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice.

**Attendance at the Meeting**

The Company asks that only registered shareholders or their proxies attend the Meeting in person. However, the Company strongly recommends that shareholders vote by Proxy or VIF in advance to ease the voting tabulation at the Meeting by Odyssey Trust Company.

Shareholders who are unable to attend the Meeting are requested to complete sign, date and return the enclosed form of proxy indicating your voting instructions. A proxy will not be valid unless it is deposited at the office of Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge Street, Toronto ON, M5E 1J8, Canada, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournments thereof. If you are not a registered shareholder, please refer to the accompanying Information Circular for information on how to vote your shares.

DATED at Vancouver, British Columbia, this 19<sup>th</sup> day of February, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS:**

*"Anita Algie"*

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Anita Algie  
CFO & Director

## NORAM LITHIUM CORP.

### Management Information Circular (the "Information Circular") For the Annual General and Special Meeting to be held on March 18, 2024

The information contained in this Information Circular, unless otherwise indicated, is as of February 12, 2024.

#### THE MEETING

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**This Information Circular is being mailed by the management of the Noram Lithium Corp. ("Noram" or the "Company") to everyone who was a shareholder of record on February 12, 2024, which is the date that has been fixed by the directors of the Company as the record date to determine the shareholders who are entitled to receive notice of the meeting.** Noram is mailing this Information Circular in connection with the solicitation of proxies by and on behalf of the Company's management for use at the Annual General and Special Meeting (the "**Meeting**") of the shareholders that is to be held on Monday, March 18, 2024 at 10:30 a.m. (Pacific Time) at Suite 2150 - 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6. The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Noram.

These proxy materials are being sent to both registered and non-registered owners of the Company's securities. If you are a non-registered owner, and the Company or the transfer agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from an intermediary holding the securities on your behalf. The Company does not intend to pay for Intermediaries to forward the materials to objecting beneficial owners as defined under National Instrument 54-101 – *Communication with Beneficial Owners of a Reporting Issuer* ("**NI 54-101**") (i.e., those shareholders that object to having their contact information provided to the Company), in which case the objecting beneficial owner will only receive the material if the Intermediary assumes the cost of delivery.

#### Quorum

Under the Company's Articles, at least two shareholders must be present in person or by proxy who are entitled to vote at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Meeting will be rescheduled.

#### INFORMATION ABOUT VOTING

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##### Who Can Vote

The record date for the Meeting is February 12, 2024 (the "**Record Date**"). Holders of Shares at the close of business on the Record Date are entitled to receive notice of and vote at the Meeting, in person or by proxy.

Each item of business to be considered at the Meeting requires a simple majority of votes in favour in order to pass.

## How to Vote

Registered Shareholders	Non-registered (Beneficial) Shareholders
<p>You hold your shares directly in your own name with our transfer agent, Odyssey Trust Company.</p> <p>A proxy is included with your Meeting materials. The Proxy Deadline is Thursday, March 14, 2024 at 10:30 am (Pacific Time)</p>	<p>Your shares are held through a broker, trustee, financial institution, custodian or other intermediary.</p> <p>Your intermediary has sent you a voting instruction form ("VIF")</p>
Attending the Meeting	Attending the Meeting
<p>Do not complete a proxy. Attend in person at:</p> <p>Main Boardroom 2150 - 555 West Hastings Street Vancouver, BC V6B 4N6</p>	<p>Follow the instructions on the VIF to appoint yourself as proxyholder to attend the Meeting by writing your name in the space provided, signing and returning the VIF.</p> <p>Attend in person at:</p> <p>Main boardroom 2150 - 555 West Hastings Street Vancouver, BC V6B 4N6</p>
Not Attending the Meeting	Not Attending the Meeting
<p>Return your completed, signed and dated proxy in one of the following ways:</p> <ul style="list-style-type: none"> <li>- To Vote Your Proxy Online please visit: <ul style="list-style-type: none"> <li>▪ <a href="https://vote.odysseytrust.com">https://vote.odysseytrust.com</a> and click on LOGIN. You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by Internet, do not mail this proxy.</li> </ul> </li> <li>- By mail or personal delivery to Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge St., Toronto, ON M5E 1J8; or</li> <li>- By fax to Odyssey, to the attention of the Proxy Department at 1-800-517-4553 (toll-free within Canada and the U.S.) or 416-263-9524 (international).</li> </ul> <p>See the instructions on the proxy for more details.</p>	<p>Submit your voting instructions by completing and returning the VIF in accordance with the directions on the VIF.</p> <p>See the instructions on the VIF or contact your intermediary for more details.</p>
Revoking your Proxy	Revoking your Voting Instructions
<p>You can revoke your proxy by:</p> <ul style="list-style-type: none"> <li>• Completing and returning a new proxy before the Proxy Deadline with a later date</li> <li>• Sending a notice in writing to our Corporate Secretary before the Proxy Deadline</li> <li>• Providing a notice in writing to the Chair of the Meeting at the Meeting</li> <li>• Any other manner permitted by law</li> </ul>	<p>Contact your intermediary for instructions on how to revoke voting instructions previously submitted.</p> <p>Be sure to contact your intermediary well in advance of the Proxy Deadline.</p>

## Information about Proxy Voting

- The persons named in the provided proxy are officers or directors of the Company.

- **You may appoint some other person (who need not be a shareholder) to represent you at the Meeting by inserting the person's name in the blank space provided and returning the proxy as specified before the Proxy Deadline.**
- the securities represented by a duly submitted proxy will be voted or withheld from voting by the proxyholder on a ballot in accordance with the instructions of the shareholder and if the shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly.
- The accompanying form of proxy confers discretionary authority upon proxyholders with respect to amendments or variations to the matters to be acted upon and other matters that properly come before the Meeting.
- Please note that in order for your vote to be recorded, your proxy must be received at least 48 hours before the Meeting.
- The Chair of the Meeting has discretion to accept late proxies.

**If you do not specify how you want to vote and you appoint the management representatives as your proxyholders, they will vote:**

- FOR fixing the number of directors at five (5)
- FOR the election of directors
- FOR the appointment of the auditor
- FOR approving and ratify the Company's Omnibus Plan

## **HOW A VOTE IS PASSED**

All matters that will come to a vote at the Meeting, as described in the attached Notice of Meeting, are ordinary resolutions.

The ordinary resolutions can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, and then the resolution is approved. In addition, the resolution approving the Company's Omnibus Plan is to be passed by a simple majority of the votes cast by persons who are not insiders or associates of insiders of the Company. See the section entitled "*Business of the Meeting*".

## **NOTICE AND ACCESS**

The Company is not sending this Notice of Meeting and Circular to registered shareholders or non-registered shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")

## **REQUEST FOR FINANCIAL STATEMENTS**

NI 51-102 sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may mark the applicable box on the proxy card or provide instructions in any other written format. Registered shareholders must also provide written instructions to receive the financial statements. Financial statements and management's discussion and analysis are also available at [www.SEDAR.com](http://www.SEDAR.com).

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

The authorized capital of the Company consists of an unlimited number of common shares. At the close of business on the Record Date; 89,022,611 common shares were outstanding. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on the Record Date, the date fixed by the Board of Directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and officers of the Company, no person beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of the common shares on that date.

## BUSINESS OF THE MEETING

### FINANCIAL STATEMENTS

The Board of Directors of the Company (the "**Board**") has approved the audited financial statements for the year ended January 31, 2023, together with the auditor's report thereon. Copies of these financial statements have been sent to those shareholders who had requested them and are also available on SEDAR+ at [www.SEDARplus.ca](http://www.SEDARplus.ca).

### FIXING THE NUMBER OF DIRECTORS

The Board presently consists of five directors. At the Meeting, shareholders will be asked to pass an ordinary resolution fixing the number of directors to be elected to the Board at five. The number of directors will be approved if the affirmative vote of at least a majority of common shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of fixing the number of directors at five.

**The shares represented by proxy will be voted FOR the resolution to set the number of directors for the ensuing year at five, unless the authority to do so is withheld.**

### ELECTION OF DIRECTORS

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next Annual General and Special Meeting, unless he resigns or otherwise vacates office before that time. Under the Company's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors cannot be fewer than three. Noram currently has five directors.

The following are the nominees proposed for election as directors of the Company together with the number of common shares and stock options that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Name, Residence and Positions Held	Voting Shares	Director Since	Principal Occupation
<b>Anita Algie</b> Director & CFO <sup>(1)(2)</sup> British Columbia, Canada	2,536,500	Director since 2019	Businessperson
<b>Sandy MacDougall</b> Director <sup>(1)</sup> British Columbia, Canada	3,305,725	Director since 2021	Businessperson
<b>Arthur Brown</b> Director <sup>(1)(2)</sup> British Columbia, Canada	983,000	Director since 2016	Businessperson
<b>Cyrus Driver</b> Director & Interim Chair <sup>(1)(2)</sup> British Columbia, Canada	1,140,000	Director since 2016	Accountant
<b>Adam Falkoff</b> Director <sup>(1)</sup> Washington, DC, USA	Nil	Director since 2021	Businessperson

#### NOTES:

- (1) Information as to ownership of shares has been taken from the SEDI summary reports for Insider Information by Issuer or has been provided by the individual.  
(2) Member of the Audit Committee.

**Shareholders can vote for all the proposed nominees for directors of the Company, vote for some of the proposed nominees and withhold for others, or withhold from voting for all or any of the proposed nominees. Unless the authority to do so is withheld, the persons named in the enclosed form of proxy will vote FOR the election of the five nominees whose names are set forth above.**

#### *Corporate Cease Trade Orders and Bankruptcies*

Except as noted below, no director or officer of the Company is, or has been within the past ten years, a director or executive officer of any Company (including Noram) that, while such person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (iii) within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. Furthermore, no director or officer of the Company has within the past ten years 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 has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

#### **RE-APPOINTMENT OF THE AUDITOR**

Management proposes to re-appoint Dale Matheson Carr-Hilton Labonte, Chartered Professional Accountants, of Vancouver, British Columbia as auditors, to hold office until the next annual meeting or until their successor is appointed and to authorize the directors to fix their remuneration.

**Unless the authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of Dale Matheson Carr-Hilton Labonte, to serve as auditors of the Company for the ensuing year and to authorize the Board to fix their remuneration.**

#### **APPROVAL OF SECURITY BASED COMPENSATION PLAN**

The Company previously adopted a stock option plan (the “**Option Plan**”) pursuant to which the board of directors (“**Board**”) may grant options (the “**Options**”) to purchase Common Shares of the Company to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

On November 24, 2021, the TSX Venture Exchange (“**TSXV**”) adopted a new Policy 4.4 – *Security Based Compensation* (“**Policy 4.4**”) which governs security-based compensation. The changes to Policy 4.4 generally relate to the expansion of the policy to cover a number of types of security-based compensation in addition to stock options.

On February 7, 2024, the Company adopted a new security-based compensation plan in order to conform with the new Policy 4.4, with an effective date of March 18, 2024 (the “**Omnibus Plan**”). The Omnibus Plan is subject to approval by the TSXV and receipt of shareholder approval at the Meeting.

The purpose of the Omnibus Plan is to attract, retain, and motivate NEOs, directors, officers, employees and other service providers by providing them with the opportunity to acquire an interest in the Company and benefit from the Company’s growth. The Omnibus Plan allows for the Company to grant incentive stock options, deferred share units and restricted share units, on terms acceptable to the exchange on which the Company is listed.

Under the Omnibus Plan, the maximum number of Common Shares reserved for issuance, including compensation securities currently outstanding, is equal to 10% of the Common Shares outstanding from time to time (the “**10% Maximum**”) when combined with any other share-based compensation arrangements in place. The 10% Maximum is an “evergreen” provision, meaning that, following the exercise, termination, cancellation or expiration of any Options, a number of Common Shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future Option grants.

The following is a summary of certain provisions of the Omnibus Plan and is subject to, and qualified in its entirety by, the full text of the Compensation Plan attached to this Circular as Schedule “B”. Capitalized terms used herein which are not otherwise defined shall have the meaning ascribed to them under the Omnibus Plan.

- (a) the maximum aggregate number of Common Shares that are issuable pursuant to all Security Based Compensation granted or issued to Insiders (as a group) must not exceed 10% of the issued Common Shares at any point in time;
- (b) the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to Insiders (as a group) must not exceed 10% of the issued Common Shares, calculated as at the date any Security Based Compensation is granted or issued to any Insider;
- (c) the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one Person (and where permitted under applicable securities exchange policies, any Companies that are wholly owned by that Person) must not exceed 5% of the issued Common Shares, calculated as at the date any Security Based Compensation is granted or issued to the Person;
- (d) the maximum aggregate number of Common Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to any one Consultant must not exceed 2% of the issued Common Shares, calculated as at the date any Security Based Compensation is granted or issued to the Consultant;
- (e) Investor Relations Service Providers may not receive any Security Based Compensation, other than Stock Options;
- (f) Upon expiry of a Stock Option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Option Plan. All Options granted under the Option Plan may not have an expiry date exceeding ten (10) years from the date on which the Board grants and announces the granting of the Option;
- (g) if a provision is included that the Participant’s heirs or administrators are entitled to any portion of the outstanding Security Based Compensation, the period in which they can make such claim must not exceed one year from the Participant’s death; and
- (h) any Security Based Compensation granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under the Compensation Plan.

At this year’s meeting, the Shareholders will be asked to approve the adoption of the new Omnibus Plan for directors, officers, employees, management company employees and consultants. If implemented by the Company, the Omnibus Plan will replace the existing Option Plan.

### ***The Compensation Plan Resolution***

At the Meeting, Shareholders will be asked to pass the following Ordinary Resolution to approve the Omnibus Plan (the “**Omnibus Plan Resolution**”) to accommodate the TSXV policies governing security-based compensation plans, substantially in the following form:

**“BE IT RESOLVED THAT as an ordinary resolution of the Company that:**

- 1. the Omnibus Plan, in substantially the form as attached as Schedule “B” to the management information circular of the Company dated February 19, 2024, be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the Exchange, as the directors of the Company may deem necessary or advisable;

2. all issued and outstanding stock options of the Company previously granted shall be continued under and governed by the Omnibus Plan; and
3. the directors of the Company be authorized to perform all such other acts and things as may be necessary or desirable to effect the adoption of the Omnibus Plan; and that the directors of the Company be authorized to implement or abandon these resolutions in whole or in part, at any time and from time to time in their sole discretion, all without further approval, ratification or confirmation by shareholders.”

**Management recommends that Shareholders approve the Omnibus Plan Resolution.** If the Omnibus Plan Resolution is approved by Shareholders, the Directors will have the authority, in their sole discretion, to implement or revoke the Omnibus Plan Resolution and otherwise implement or abandon the Omnibus Plan.

**Unless the authority to do so is withheld, the persons named in the enclosed form of proxy will vote FOR the approval and ratification of the Omnibus Plan.**

## **RECOMMENDATION OF DIRECTORS**

Our directors have reviewed and considered all facts respecting the foregoing matters, which they have considered to be relevant to shareholders. It is the unanimous recommendation of our directors that shareholders vote for passage of the foregoing resolutions.

## **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the common shares represented thereby in accordance with their best judgement on such matter.

## **EXECUTIVE COMPENSATION**

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For the purpose of this Information Circular:

“CEO” means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“CFO” means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“Named Executive Officer” or “NEO” means: (a) a CEO; (b) a CFO; (c) the Company’s most highly compensated executive officers, including any of the Company’s subsidiaries, or the most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a NEO under paragraph (c) 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 the most recently completed financial year.

*All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.*

## **COMPENSATION OF EXECUTIVES**

When determining executive compensation, the Company’s practices are designed to retain, motivate and reward the executive officers of the Company for their performance and contribution to the Company’s long-term success. The Board seeks to compensate the Company’s executive officers by combining short and long-term cash and equity incentives. It also seeks to reward the achievement of corporate and individual performance objectives, and to align



executive officers' incentives with shareholder value creation. The Board seeks to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals.

The compensation of the executive officers of the Company include three major elements: (a) base consulting fees, (b) discretionary cash bonuses, and (c) long-term equity incentives, consisting of stock options under the Stock Option Plan. These three principal elements of compensation are described below.

## **Components of Executive Compensation**

### Base Consulting Fees

Base Consulting Fees are a set specific annual amount, or in some cases based on time charged to the Company at an agreed upon daily or hourly rate.

### Discretionary Cash Bonus

The Company, in its discretion, may award cash bonuses in order to motivate executives to achieve short-term corporate goals. The compensation committee will make recommendations to the Board (or, there being no compensation committee, the Board alone) who will approve cash bonuses. The success of executive officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of cash bonuses. In determining cash bonuses, the Board assesses each executive's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day-to-day basis.

### Performance-Based Incentives

As at the date of this Information Circular, performance-based incentives have been granted by way of stock options pursuant to the Option Plan. If approved by shareholders at the Meeting, the Company will grant performance-based incentives under the Omnibus Plan. The Omnibus Plan will provide the Board with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, executives, employees, consultants and service providers.

Under the Omnibus Plan, the Board is authorized to grant Options, Restricted Share Units ("RSUs") and Deferred Share Units ("DSUs") to directors, officers, employees, management company employees and consultants of the Company and/or its subsidiaries ("Eligible Participants", and when such Eligible Participants are granted Awards, the "Participants") in order to attract, retain and motivate such persons as individuals whose skills, performance and loyalty to the objectives and interests of the Company are necessary to the Company's success, to incentivize them to continue their services for the Company, and to align their interests with those of the Company.

A full copy of the Plan is attached as Schedule "B" to this Circular.

## **SUMMARY COMPENSATION TABLE**

The following table (presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*) sets forth all annual and long-term compensation for services paid to or earned by each NEO for the financial years ended January 31, 2023 and 2022, excluding compensation securities.

Name and Position	Year	Salary (\$)	Share Based Awards (\$)	Option Based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Anita Algie <i>CFO &amp; Director</i>	2023	Nil	Nil	23,049	Nil		Nil	240,000 <sup>(2)</sup>	263,049
	2022	Nil	Nil	319,466	Nil		Nil	120,000 <sup>(2)</sup>	439,466
Peter A. Ball <sup>(3)</sup> <i>Former President</i>	2023	Nil	Nil	69,147	Nil		Nil	480,000	549,147
	2022	Nil	Nil	918,127 <sup>(4)</sup>	Nil		Nil	40,000 <sup>(5)</sup>	958,127
Sandy MacDougall <i>Chair<sup>(6)</sup> &amp; Director</i>	2023	Nil	Nil	407,199	Nil		Nil	900,000 <sup>(7)</sup>	1,307,199
	2022	Nil	Nil	638,931	Nil		Nil	250,000 <sup>(7)</sup>	888,931
Greg McCunn <sup>(8)</sup> <i>CEO</i>	2023	Nil	Nil	Nil	Nil		Nil	30,000 <sup>(9)</sup>	30,000
	2022	N/A	N/A	N/A	N/A		N/A	N/A	N/A
Brad Peek <i>VP Exploration</i>	2023	Nil	Nil	453,297	Nil		Nil	149,748	603,045
	2022	Nil	Nil	Nil	Nil		Nil	88,138	88,138

**NOTES:**

1. The Company uses the Black-Sholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the NEO.
2. Consulting fees paid to a company controlled by Ms. Algie.
3. Mr. Ball was appointed as CEO on November 30, 2021 and resigned on January 31, 2023.
4. Held by a company controlled by Mr. Ball.
5. Consulting fees paid to a company controlled by Mr. Ball.
6. Effective January 9, 2024, Mr. MacDougall has taken a medical leave of absence from this position.
7. Consulting fees paid to a company controlled by Mr. MacDougall.
8. Mr. McCunn was appointed Chief Executive Officer on January 1, 2023.
9. Consulting fees paid to a company controlled by Mr. McCunn.

On January 1, 2022, the Company entered into a consulting agreement with Anita Algie, pursuant to which the Company has agreed to pay Ms. Algie a base consulting fee of \$20,000 per month.

On January 1, 2022, the Company entered into a consulting agreement with Sandy MacDougall, pursuant to which the Company has agreed to pay Mr. MacDougall a base consulting fee of \$25,000 per month.

On January 1, 2023, the Company entered into a consulting agreement (the “**Original Agreement**”) with Camosun Advisory Group, a company controlled by Mr. McCunn, pursuant to which the Company has agreed to pay to Camosun a base consulting fee of \$30,000 per month. On January 1, 2024, the Company entered into an amendment to the Original Agreement, which amendment extended the term of the Original Agreement by a further twelve months.

On January 1, 2022, the Company entered into a consulting agreement with Bradley Peek, pursuant to which the Company has agreed to pay to Mr. Peek a base consulting fee of US\$5,000 per month.

**INCENTIVE PLAN AWARDS**

***Outstanding Option-Based Awards***

The following table provides details of outstanding option-based awards granted to NEOs as at January 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units or shares that have not vested (#)	Market or other payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Anita Algie <i>CFO &amp; Director</i>	960,000 <sup>(1)</sup> 500,000	0.79 0.64	2031/01/13 2031/04/28	- -	N/A	N/A	N/A
Sandy MacDougall <i>Chair &amp; Director</i>	460,000 1,000,000	0.79 0.64	2031/01/13 2031/04/28	- -	N/A	N/A	N/A

**Note:**

The value of unexercised in-the-money options is calculated by multiplying the difference between the closing price of the common shares on the TSX-V on January 31, 2023, which was \$0.195, and the option exercise price, by the number of outstanding options. When the difference is negative, the options are not in-the-money and no value is reported. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

(1) Of which 500,000 options are held in the name of a company controlled by Ms. Algie

***Value Vested or Earned During the Year***

The following table provides information regarding value vested or earned through incentive plan awards by the NEOs during the year ended January 31, 2023.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Anita Algie <i>CFO &amp; Director</i>	23,049	Nil	Nil
Sandy MacDougall <i>Chair &amp; Director</i>	407,199	Nil	Nil
Brad Peek <i>VP Exploration</i>	453,297	Nil	Nil

**Note:**

The Company uses the Black-Sholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the NEO. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

**PENSION PLAN BENEFITS AND DEFERRED COMPENSATION PLANS**

The Company does not offer any pension benefits or deferred compensation plans to its NEOs.

**COMPENSATION OF DIRECTORS**

The following table provides details with respect to compensation paid to, or earned by, the directors of the Company who were not NEOs, during the year ended January 31, 2023.

Name	Fees Earned (\$)	Share Based Awards (\$)	Option Based Awards (\$ <sup>(1)</sup> )	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total Compensation (\$)
Adam Falkoff <i>Director</i>	Nil	Nil	42,257	Nil	Nil	55,755 <sup>(2)</sup>	98,012
Arthur Brown <i>Director</i>	Nil	Nil	157,502	Nil	Nil	150,000 <sup>(3)</sup>	307,502
Cyrus Driver <sup>(4)</sup> <i>Director</i>	Nil	Nil	99,879	Nil	Nil	102,000 <sup>(5)</sup>	201,879

**NOTES:**

- (1) The Company uses the Black-Sholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the NEO.
- (2) Represents consulting fees paid to the director.
- (3) Consulting fees paid to a company controlled by Mr. Brown.
- (4) Effective January 9, 2024, Mr. Driver was appointed Interim Chairman.
- (5) Consulting fees paid to a company controlled by Mr Driver.

On January 1, 2022, the Company entered into a Fee Agreement with Adam Falkoff, pursuant to which the Company has agreed to pay Mr. Falkoff director fees of US\$10,000 paid quarterly.

On January 1, 2022, the Company entered into a Fee Agreement with Arthur Brown, pursuant to which the Company has agreed to pay Mr. Brown director fees of \$12,500 per month.

On January 1, 2022, the Company entered into a Fee Agreement with Cyrus Driver, pursuant to which the Company has agreed to pay Mr. Driver director fees of \$8,500 per month.

***Outstanding Option-Based Awards***

The following table provides details of outstanding option-based awards granted to directors of the Company who were not NEOs as at January 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units or shares that have not vested (#)	Market or other payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Adam Falkoff <i>Director</i>	1,400,000	0.64	2031/01/13	-	N/A	NA	N/A
Arthur Brown <i>Director</i>	100,000 200,000	0.79 0.64	2031/01/13 2031/04/28	- -	N/A	NA	N/A
Cyrus Driver <i>Director</i>	175,000 100,000	0.79 0.64	2031/01/13 2031/04/28	- -	N/A	NA	N/A

**Note:**

The value of unexercised in-the-money options is calculated by multiplying the difference between the closing price of the common shares on the TSX-V on January 31, 2023, which was \$0.195, and the option exercise price, by the number of outstanding options. When the difference is negative, the options are not in-the-money and no value is reported. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

### *Value Vested or Earned During the Year*

The following table provides information regarding value vested or earned through incentive plan awards by the NEOs during the year ended January 31, 2023.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Adam Falkoff <i>Director</i>	42,257	Nil	Nil
Arthur Brown <i>Director</i>	157,502	Nil	Nil
Cyrus Driver <i>Director</i>	99,879	Nil	Nil

**Note:**

The Company uses the Black-Sholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the Director. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

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

The following table provides information regarding the number of Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Option Plan as at the date of this Circular.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants, and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans, excluding securities reflected in column (a) (c)
Equity compensation plans approved by security holders	7,775,000	\$0.71	XX
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>TOTAL</b>	<b>7,775,000</b>	<b>\$071</b>	<b>XX</b>

The Company's Option Plan was last approved by shareholders at the Company's Annual General and Special Meeting held on March 14, 2023.

### **AUDIT COMMITTEE**

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#### **AUDIT COMMITTEE CHARTER**

The text of the Company's Audit Committee Charter is attached as Appendix "A" to this Information Circular.

#### **COMPOSITION OF AUDIT COMMITTEE**

Ms. Algie, Mr. Brown and Mr. Driver are members of the Company's Audit Committee. At present, Mr. Brown is considered "independent" as that term is defined in applicable securities legislation. Until January 9, 2024, Mr. Driver was also considered "independent".

All three members of the Audit Committee have the ability to read and understand 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**

All of the Audit Committee members are senior level businesspersons with extensive experience in financial matters; each has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavours. In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Company.

#### **EXTERNAL AUDITOR SERVICE FEES**

The Audit Committee has pre-approved the nature and amount of the services provided by Dale Matheson Carr-Hilton Labonte, Chartered Professional Accountants, to the Company to ensure auditor independence.

Aggregate fees paid to the auditor during the financial years ended January 31, 2023 and January 31, 2022 were as follows:

<b>Financial Year Ended</b>	<b>Audit Fees</b>	<b>Audit Related Fees<sup>(1)</sup></b>	<b>Tax Fees<sup>(2)</sup></b>	<b>All Other Fees<sup>(3)</sup></b>
2023	\$35,000	Nil	\$2,550	Nil
2021	\$23,500	Nil	\$3,500	Nil

**Notes:**

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged (or estimated charges) for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

#### **AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recent financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

#### **RELIANCE ON CERTAIN EXEMPTIONS**

At no time since the commencement of the Company's most recent financial year has the Company relied on the exemption in Section 2.4 of MI 52-110 (De Minimus Non-Audit Services), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of the Multilateral Instrument 52-110.

#### **PRE-APPROVAL POLICIES AND PROCEDURES**

The Committee has not adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

#### **EXEMPTION IN SECTION 6.1 OF MI 52-110**

As Noram is a "Venture Issuer" pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of MI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

## CORPORATE GOVERNANCE

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National Instrument 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance guidelines which comply with all public companies.

### INDEPENDENCE OF THE MEMBERS OF THE BOARD

The Company's Board consists of five directors, three of whom are independent based upon the tests for independence set forth in Multilateral Instrument 52-110. No director is compensated for services by Company.

### MANAGEMENT SUPERVISION BY BOARD

Until January 9, 2024, Mr. Sandy MacDougall acted as Chairperson of the Board. On January 9, 2024, Cyrus Driver was appointed interim Chairperson of the Board. Mr. Driver will act as Chairperson of meetings of the Board. The Board is satisfied that autonomy of the Board and its ability to function independently of management is protected by means such as through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members.

### PARTICIPATION OF DIRECTORS IN OTHER REPORTING ISSUERS

Certain of the Directors of the Company are also directors of other reporting issuers (or equivalent) in a Canadian jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or equivalent in a foreign jurisdiction)
Anita Algie	N/A
Arthur Brown	Kingman Minerals Ltd. (KGS-TSXV)
Cyrus Driver	Power Metals Corp. (PWM-TSXV), Superior Mining International Corporation (SUI-TSXV), Cobra Venture Corporation (CBV-TSXV), Norra Metals Corp. (NORA-TSXV), Tesoro Minerals Corp. (TES-TSXV), Kingman Minerals Ltd. (KGS-TSXV), Wangton Capital Corp. (WT-TSXV), Starr Peak Exploration Ltd. (STE-TSXV); CDN Maverick Capital Corp. (CDN – TSX-V)
Sandy MacDougall	CDN Maverick Capital Corp. (CDN-TSX-V)
Adam Falkoff	Ensurge, Inc. (ESGI-OTC) / Basanite Inc. (BASA-OTCQB)

### PARTICIPATION OF DIRECTORS IN BOARD MEETINGS

In the financial year ended January 31, 2023, matters requiring board approval were able to be approved by directors' consent resolutions or by directors' board meetings. The directors do have regular ongoing informal discussions. When required, the independent directors may and are encouraged to hold meetings at which non-independent directors and members are not in attendance as often as necessary.

### BOARD MANDATE

The Board is responsible for approving long-term strategic plans and annual operation plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

## **POSITION DESCRIPTIONS**

Given the small size of the Company's infrastructure, the Board does not feel that it is necessary at this time to formalize position descriptions or corporate objectives for either the President or the Chief Executive Officer of the Board, in order to delineate their respective responsibilities. The Board delineates the role and responsibilities of these individuals through reference to industry norms, past practice and in the case of the President, through reference to the terms of her employment with the Company.

The Board of Directors responds to and, if it considers appropriate, approves, with such revisions as it may require, corporate objectives and recommended courses of action which have been brought forward by the President and management. In addition to those matters which must be approved by the Board of Directors by law, significant business activities and actions proposed to be taken by the Company are subject to Board approval.

Annual capital and operating budgets and significant changes thereto, long range plans, major changes in the organizational structure of the Company, annual financial statements, major acquisition and disposal transactions, major financing transactions involving the issuance of shares, flow-through securities and the like, acquisitions of properties, long-term contracts with significant cumulative financial commitments, appointment of senior executive officers, directors' liability insurance, stock option plans, issuance of stock options and succession plans are all subject to approval of the Board of Directors, or where appropriate, a duly authorized committee of the Board of Directors. In addition, the Board of Directors is responsible for overseeing the strategic direction of the Company, monitoring the performance of the Company's assets and assessing opportunities for and risks affecting the Company's business and assessing means to effectively deal with the Company's business.

## **ORIENTATION AND CONTINUING EDUCATION**

While the Company does not have formal orientation and training programs, the Company provides new Board members with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company; and
3. access to management;

to orient new Directors regarding the role of the Board, its committees and its Directors, and the nature and operations of the Company's business.

The Board ensures that its Directors maintain the skill and knowledge necessary to meet their obligations as Directors by encouraging Board members to: communicate with management, auditors and technical consultants; keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend industry related seminars and visit the Company's operations. Board members have full access to the Company's records.

## **ETHICAL BUSINESS CONDUCT**

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the 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 Company does not have a nominating committee because the Board fulfills these functions.



## **COMPENSATION OF DIRECTORS AND CEO**

The Company does not have a compensation committee as the Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the Chief Executive Officer of the Company and the directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

## **COMMITTEES OF THE BOARD OF DIRECTORS**

The Board has appointed an Audit Committee the members of which are the following: Ms. Anita Algie, Mr. Arthur Brown, and Mr. Cyrus Driver. A description of the function of the Audit Committee can be found in this Circular under "Audit Committee".

## **ASSESSMENTS**

The Board does not consider that formal assessments of the Board, its committees and individual Directors would be useful at this stage of the Company's development, and thus conducts informal annual assessments of such individuals and bodies.

## **OTHER INFORMATION**

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

No one director or executive officer, former director or executive officer, or proposed nominee for election as a Director of the Company, or any associate or affiliate of the foregoing was indebted to Noram in the last completed financial year.

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

Except as set out herein, no person who has been a director or officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of a beneficial ownership or otherwise in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as described below, no proposed nominee for election as a director, no director or executive officer of the Company [or of a person or company that is itself an "informed person" (as defined in NI 51-102) of the Company], and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company's outstanding common shares.

### **OTHER MATTERS**

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this information circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

## **ADDITIONAL INFORMATION**

You may obtain the annual financial statements and the Management's Discussion and Analysis for the year ended January 31, 2023 without charge upon request to Noram Lithium Corp. at 2150 – 555 West Hastings Street, Vancouver, British Columbia, V6B 4N6 – Tel: (604) 553 - 2279, Fax: (604) 681-0014. You may also access the Company's public disclosure documents through the Internet on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **DIRECTORS' APPROVAL**

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The Board of Directors of the Company has approved the contents of this Information Circular and its distribution to shareholders entitled to receive notice of the Meeting.

Vancouver, British Columbia  
February 19, 2024

### **NORAM LITHIUM CORP.**

By:

"Anita Algie"  
Anita Algie, Director

## Schedule "A"

### AUDIT COMMITTEE CHARTER

#### NORAM LITHIUM CORP.

#### (the "Company")

(Implemented pursuant to Multilateral Instrument 52-110)

Multilateral Instrument 52-110 (the "Instrument") relating to the composition and function of audit committees was implemented for Alberta reporting companies effective March 30, 2004 and, accordingly, applies to every TSX Venture Exchange listed company, including the Company. The Instrument requires all affected issuers to have a written audit committee Charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Company wherein management solicits proxies from the security holders of the Company for the purpose of electing directors to the Board.

This Charter has been adopted by the Board in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

#### PART I

##### **Purpose:**

The purpose of the Committee is to:

- a) ensure the quality of financial reporting;
- b) assist the Board to properly and fully discharge its responsibilities;
- c) provide an avenue of enhanced communication between the Board and external auditors;
- d) enhance the external auditor's independence;
- e) increase the credibility and objectivity of financial reports; and
- f) strengthen the role of the outside members of the Board by facilitating in-depth discussions between Members, management and external auditors.

##### **1.1 Definitions**

"accounting principles" has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"Affiliate" means a company that is a subsidiary of another company or companies that are controlled by the same entity;

"audit services" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"Board" means the board of directors of the Company;

"Charter" means this audit committee charter;

"Company" means NORAM LITHIUM CORP.

"Committee" means the committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

"Control Person" means any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of the Company so as to affect materially the control of the Company, or that holds more than 20% of the outstanding voting shares of the Company, except where there is evidence showing that the holder of those securities does not materially affect control of the Company;

"executive officer" means an individual who is:

- a) the chair of the Company;

- b) the vice-chair of the Company;
- c) the President of the Company;
- d) the vice-president in charge of a principal business unit, division or function including sales, finance or production;
- e) an officer of the Company or any of its subsidiary entities who performs a policy-making function in respect of the Company; or
- f) any other individual who performs a policy-making function in respect of the Company;

"financially literate" has the meaning set forth in Section 1.3;

"immediate family member" means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;

"independent" has the meaning set forth in Section 1.2;

"Instrument" means Multilateral Instrument 52-110;

"MD&A" has the meaning ascribed to it in National Instrument 51-102;

"Member" means a member of the Committee;

"National Instrument 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*;

"non-audit services" means services other than audit services;

## 1.2 Meaning of Independence

1. A Member is independent if the Member has no direct or indirect material relationship with the Company.
2. For the purposes of subsection 1, a material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member's independent judgment.
3. Despite subsection 2 and without limitation, the following individuals are considered to have a material relationship with the Company:
  - a) a Control Person of the Company;
  - b) an Affiliate of the Company; and
  - c) an employee of the Company.

**1.3 Meaning of Financial Literacy** – For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## PART 2

**2.1 Audit Committee** – The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

**2.2 Relationship with External Auditors** – The Company will henceforth require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

### 2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the Board:
  - a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
  - b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
  - a) reviewing the audit plan with management and the external auditor;

- b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
  - c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
  - d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
  - e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
  - f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
  - g) reviewing interim unaudited financial statements before release to the public;
  - h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
  - i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
  - j) reviewing the terms of reference of the internal auditor, if any;
  - k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
  - l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the issuer's external auditor.
  4. The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
  5. The Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and shall periodically assess the adequacy of those procedures.
  6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Policy 31, and the planned steps for an orderly transition.
  7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Policy 31, on a routine basis, whether or not there is to be a change of auditor.
  6. The Committee shall, as applicable, establish procedures for:
    - a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
    - b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
  7. As applicable, the Committee shall establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
  8. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.
- 2.4 De Minimis Non-Audit Services** – The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the fiscal year in which the services are provided;
- b) the Company or the subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

## **2.5 Delegation of Pre-Approval Function**

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

## **PART 3**

### **3.1 Composition**

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall be independent.
4. Every audit committee member shall be financially literate.

## **PART 4**

### **4.1 Authority** – Until the replacement of this Charter, the Committee shall have the authority to:

- a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- b) to set and pay the compensation for any advisors employed by the Committee,
- c) to communicate directly with the internal and external auditors; and
- d) recommend the amendment or approval of audited and interim financial statements to the Board.

## **PART 5**

**5.1 Disclosure in Information Circular** -- If management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to the Board, the Company shall include in its management information circular the disclosure required by Form 52-110F2 (*Disclosure by Venture Issuers*).

## **PART 6**

### **6.1 Meetings**

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.

### **II. Composition of the Audit Committee**

The Audit Committee is comprised of Ms. Algie, Mr. Brown and Mr. Driver. Mr. Brown and Mr. Driver are "*independent*" members and form the majority. All members are "*financially literate*" within the meanings given to those terms in the Charter.

### **III. Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been adopted by the Board of Directors.

**IV. Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied of exemptions in relation to "*De Minimis Non-Audit Services*" or any exemption provided by Part 8 of Multilateral Instrument 52-110.

**V. Pre-Approval Policies and Procedures**

The Company has not adopted any specific policies in relation to the engagement of non-audit services.

## Schedule "B"

### OMNIBUS INCENTIVE PLAN

#### NORAM LITHIUM CORP. OMNIBUS INCENTIVE PLAN

Noram Lithium Corp. (the "**Company**") hereby establishes an omnibus incentive plan for directors, officers, key employees and Consultants of the Company and any of its Subsidiaries.

#### ARTICLE 1 INTERPRETATION

##### Section 1.1 Definitions.

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

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

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

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

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

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

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

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

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

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

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

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

- (i) any transaction (other than a transaction described in clause (iii) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires for the first time the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities entitled to vote in the election of directors of the Company, other than any such acquisition that occurs upon the exercise or settlement of options or other securities granted by the Company under any of the Company's equity incentive plans;
- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such



arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;

- (iii) the sale, lease, exchange, license or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Subsidiary of the Company in the course of a reorganization of the assets of the Company and its wholly-owned Subsidiaries;
- (iv) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement);
- (v) individuals who, on the Effective Date, are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent;

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

"**Consultant**" means, in relation to the Company, an individual (other than a director, officer or employee of the Company or of any of its Subsidiaries) or corporation that: (a) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or to any of its Subsidiaries, other than services provided in relation to a Distribution (as such term is defined in TSXV Policy 1.1); (b) provides the services under a written contract between the Company or any of its Subsidiaries and the individual or the corporation, as the case may be; and (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its Subsidiaries;

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

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

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

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

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

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

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

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

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

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

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

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

**“Incentive Stock Option”** or **“ISO”** means an Option that is granted to a U.S. Participant, as described in Section 3.8;

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

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

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

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

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

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

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

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

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

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

**“Person”** means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

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

**“Prior Plans”** means the share option plan and the restricted share unit plan of the Company in effect immediately prior to the Effective Date;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Relations Service Providers under any Options awarded shall not exceed 2% of the Outstanding Issue in any 12-month period, in each case measured as of the date of grant of an Award, and (C) may not be granted a Cashless Exercise Right;

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

“**U.S. Participant**” means any Participant who, at any time during the period from the date an Award is granted to the date such award is exercised, redeemed, or otherwise paid to the Participant, is subject to income taxation in the United States on the income received for services provided to the Company or a Subsidiary and who is not otherwise exempt from United States income taxation under the relevant provisions of the U.S. Tax Code or the Canada-U.S. Income Tax Convention, as amended;

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended;

“**U.S. Tax Code**” means the United States Internal Revenue Code of 1986, as amended; and

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

## **Section 1.2 Interpretation.**

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion of the Board.
- (2) The division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and *vice versa* and words importing any gender include any other gender.
- (4) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (5) Unless otherwise specified in the Participant’s Grant Agreement, all references to money amounts are to Canadian currency.
- (6) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant’s estate or will.
- (7) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

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

### **Section 2.1 Purpose of the Plan.**

The purpose of the Plan is to permit the Company to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Company’s welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;

- (c) to reward Participants for their performance of services while working for the Company or a Subsidiary; and
- (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment or service.

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

- (1) The Plan shall be administered and interpreted by the board of directors of the Company (the “**Board**”) or, if the Board by resolution so decides, by a committee appointed by the Board. If such committee is appointed for this purpose, all references to the “Board” herein will be deemed references to such committee. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 7 and any applicable rules of the Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operations of the Plan as it may deem necessary or advisable. The Board may delegate to officers or managers of the Company, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, in whole or in part. Any such delegation by the Board may be revoked at any time at the Board’s sole discretion. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Company, its Subsidiaries and all Eligible Participants.
- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board and any person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.
- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

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

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

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

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

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

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

- (1) The maximum number of Shares issuable pursuant to this Plan and any other Share Compensation Arrangement shall not exceed the limits set out in Section 2.4(2).
- (2) The maximum number of Shares issuable to Eligible Participants who are Insiders (as a group), at any time, under this Plan and any other Share Compensation Arrangement, shall not exceed 10% of the Outstanding Issue at any point in time.
- (3) The maximum number of Shares issuable to Eligible Participants who are Insiders (as a group), within any one year period, under this Plan and any other Share Compensation Arrangement, shall not exceed 10% of the Outstanding Issue at any point in time.
- (4) Subject to the policies of the Stock Exchange, any Shares issued or Award granted pursuant to the Plan, or securities issued under any other Share Compensation Arrangement prior to a Participant becoming an Insider, shall be included for the purposes of the limits set out in Section 2.5(2) and Section 2.5(3).
- (5) Subject to the policies of the Stock Exchange, in the event of the death of a Participant, the legal representative, liquidator, executor or administrator, as the case may be, of the estate of the Participant is not entitled to make a claim in respect of an Award granted to such Participant after the first anniversary of the death of such Participant.
- (6) The TSXV Share Limits shall apply to the Shares issued or issuable under any Award granted under the Plan and any other Share Compensation Arrangement, subject to the Shares being listed for trading on the TSX Venture Exchange.

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

Any Award granted under the Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any Stock Exchange or under any law or regulation of any jurisdiction, or the consent or approval of any Stock Exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.

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

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

- (a) no Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Participant who dies or who ceases to be an eligible Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction; and
- (b) any Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months, in accordance with the vesting restrictions set out in Section 4.4(c) of Policy 4.4 of the TSX Venture Exchange.

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

The Plan supersedes and replaces the Prior Plans, which are terminated and of no force or effect as of the Effective Date. All securities granted under the Prior Plans shall continue to exist and shall remain outstanding in accordance with their terms, provided that from the Effective Date, such securities shall be governed by this Plan.

# **ARTICLE 3 OPTIONS**

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

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

## **Section 3.2      Option Awards.**

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the “**Option Price**”) and the relevant vesting provisions (including Performance Criteria, if applicable) and the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of the Stock Exchange.

## **Section 3.3      Option Price.**

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

### Section 3.4 Option Term.

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten years from the date the Option is granted (the “**Option Term**”).
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black-Out Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan.

### Section 3.5 Exercise of Options.

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, any exercise of Options by a Participant shall be made in accordance with any insider trading policies implemented by the Company.

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

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board of the purchase price for the number of Shares specified therein and, if required by Section 8.2, the amount necessary to satisfy any taxes.
- (2) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than ten Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
  - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
  - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.
- (3) Subject to the rules and policies of the Stock Exchange (including the TSXV Share Limits, as applicable), the Board may, in its discretion and at any time, determine to grant a Participant the right, other than an Investor Relations Provider, when entitled to exercise Options, to deal with such Options on a “cashless exercise” basis (the “**Cashless Exercise Right**”). The Board may determine in its discretion that such Cashless Exercise Right, if any, grants a Participant the right to exercise such Options by notice in writing to the Company and receive, without payment of any cash other than pursuant to Section 8.2, that number of Shares, disregarding fractions, that is equal to the quotient obtained by dividing:
  - (1) the product of the number of Options being exercised multiplied by the difference between the Market Value on the day immediately prior to the exercise of the Cashless Exercise Right and the Option Price; and
  - (2) the Market Price on the day immediately prior to the exercise of the Cashless Exercise Right.
- (4) In the event the Board grants and the Participant exercises Options pursuant to a Cashless Exercise Right:
  - (a) the Company shall make an election pursuant to subsection 110(1.1) of the Tax Act; and
  - (b) the number of Options exercised, and not the number of Shares issued by the Company pursuant to such Cashless Exercise Right shall be included in calculating the limitation in Sections 2.4 and 2.5 and the TSXV Share Limits, as applicable.



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

Options shall be evidenced by an Option Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The Option Agreement may contain any such terms that the Company considers necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

### **Section 3.8      Incentive Stock Options.**

- (1) ISOs are available only for Participants who are employees of the Company, or a “parent corporation” or “subsidiary corporation” (as such terms are defined in Section 424(e) and (f) of the U.S. Tax Code), on the date the Option is granted. In addition, a Participant who holds an ISO must continue as an employee, except that upon termination of employment the Option will continue to be treated as an ISO for up to three months, after which the Option will no longer qualify as an ISO, except as provided in this Section 3.8(1). A Participant’s employment will be deemed to continue during period of sick leave, military leave or other *bona fide* leave of absence, provided the leave of absence does not exceed three months, or the Participant’s return to employment is guaranteed by statute or contract. If a termination of employment is due to permanent disability, an Option may continue its ISO status for up to one year, and if the termination is due to death, the ISO status may continue for the balance of the Option’s term. Nothing in this Section 3.8(1) will be deemed to extend the original expiry date of an Option.
- (2) A Participant who owns, or is deemed to own, pursuant to Section 424(e) of the U.S. Tax Code, Shares possessing more than 10% of the total combined voting power of all classes of stock of the Company may not be granted an Option that is an ISO unless the Option Price is at least 110% of the Market Value of the Shares, as of the date of the grant, and the Option is not exercisable after the expiration of five years from the date of grant.
- (3) To the extent the aggregate Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and any affiliates) exceeds US\$100,000, the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Options other than ISOs, notwithstanding any contrary provision in the applicable Option Agreement.

## **ARTICLE 4 RESTRICTED SHARE UNITS**

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

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

### **Section 4.2      RSU Awards.**

- (1) The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restricted Period of such RSUs, (provided, however, that no such Restricted Period shall exceed the three years referenced in Section 4.3), and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (2) Subject to the vesting and other conditions and provisions in this Plan and in the RSU Agreement, each vested RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restricted Period. For greater certainty, RSUs that are subject to Performance Criteria may not become fully vested by the last day of the Restricted Period.

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

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

### **Section 4.4 RSU Vesting Determination Date.**

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the “**RSU Vesting Determination Date**”), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the 15<sup>th</sup> of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred. Notwithstanding the foregoing, for any U.S. Participant, the RSU Vesting Determination Date shall occur no later than the 15<sup>th</sup> of March of the calendar year following the end of the Performance Period.

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

- (1) Except as otherwise provided in the RSU Agreement, all of the vested RSUs covered by a particular grant shall be settled as soon as practicable and in any event within ten Business Days following their RSU Vesting Determination Date and no later than the end of the Restricted Period (the “**RSU Settlement Date**”).
- (2) Settlement of RSUs shall take place promptly following the RSU Settlement Date and no later than the end of the Restricted Period, and shall take the form determined by the Board, in its sole discretion. Settlement of RSUs shall be subject to Section 8.2 and shall take place through:
  - (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of RSUs for Shares (which may include Shares purchased in the secondary market by a trustee or administrative agent appointed by the Board):
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
    - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
  - (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) Notwithstanding the foregoing, for any U.S. Participant, the RSU Settlement Date and delivery of Shares or Cash Equivalent, if any, shall each occur no later than the 15<sup>th</sup> of March of the calendar year following the end of the Performance Period.

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

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

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

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

RSUs shall be evidenced by an RSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The RSU Agreement may contain any such terms that the Company considers necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

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

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

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

### **ARTICLE 5 DEFERRED SHARE UNITS**

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

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

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

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

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

- (1) Subject to the Board determining otherwise, each Participant may elect to receive in DSUs any portion or all of their Annual Base Compensation by completing and delivering a written election to the Company on or before the 5th day of November of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for fiscal quarters beginning during the calendar year following the date of such election. Elections hereunder shall be irrevocable with respect to compensation earned during the period to which such election relates.
- (2) Further, where an individual becomes a Participant for the first time during a fiscal year and, for individuals that are U.S. Participants, such individual has not previously participated in a plan that is required to be aggregated with this Plan for purposes of Section 409A of the U.S. Tax Code, such individual may elect to defer Annual Base Compensation with respect to fiscal quarters of the Company commencing after the Company receives such individual's written election, which election must be received by the Company no later than 30 days after the later of the Plan's adoption or such individual's appointment as a Participant. For greater certainty, new Participants will not be entitled to receive DSUs for any Annual Base Compensation earned pursuant to an election for the quarter in which they submit their first election to the Company or any previous quarter.

- (3) All DSUs granted with respect to Annual Base Compensation will be credited to the Participant's Account when such Annual Base Compensation is payable (the "**Grant Date**").
- (4) The Participant's Account will be credited with the number of DSUs calculated to the nearest thousandths of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the Grant Date by the Market Value of the Shares. Fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

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

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

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

- (1) A Participant may receive their Shares, or Cash Equivalent, or a combination thereof, to which such Participant is entitled upon Termination of Service, by filing a redemption notice on or before the 15th day of December of the first calendar year commencing after the date of the Participant's Termination of Service. Notwithstanding the foregoing, if any Participant does not file such notice on or before that 15th day of December, the Participant will be deemed to have filed the redemption notice on the 15th day of December (the date of the filing or deemed filing of the redemption notice, the "**Filing Date**"). In all cases for each U.S. Participant, the U.S. Participant will be deemed to have filed the redemption notice on the date of their Termination of Service.
- (2) The Company will make payment of the DSU Settlement Amount as soon as reasonably possible following the Filing Date and in any event no later than the end of the first calendar year commencing after the Participant's Termination of Service. In all cases for each U.S. Participant, the Company will make payment of the DSU Settlement Amount as soon as reasonably possible following the Filing Date and in any event no later than the 1<sup>st</sup> day of March of the calendar year following Termination of Service.
- (3) In the event of the death of a Participant, the Company will, subject to Section 8.2, make payment of the DSU Settlement Amount within two months of the Participant's death to or for the benefit of the legal representative of the deceased Participant. For the purposes of the calculation of the Settlement Amount, the Filing Date shall be the date of the Participant's death.
- (4) Subject to Section 2.7(a) and the terms of the DSU Agreement, including the satisfaction or, at the discretion of the Board, waiver of any vesting conditions, settlement of DSUs shall take place promptly following the Filing Date, and take the form as determined by the Board, in its sole discretion. Settlement of DSUs shall be subject to Section 8.2 and shall take place through:
  - (a) in the case of settlement of DSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of DSUs for Shares:
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
    - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive, to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

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

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

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

**Section 5.7 DSU Agreements.**

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

**Section 5.8 Award of Dividend Equivalents.**

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

**ARTICLE 6  
GENERAL CONDITIONS**

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

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

- (1) Vesting Period. Subject to Section 2.7(a), each Award granted hereunder shall vest in accordance with the terms of the Grant Agreement entered into in respect of such Award; and (b) the Board has the right to accelerate the date upon which any Award becomes exercisable notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration.
- (2) Employment. Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Affiliates in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (3) Grant of Awards. Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Company or any Subsidiary.

- (4) Rights as a Shareholder. Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Subject to Section 4.8 and Section 5.8, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) Conformity to Plan. In the event that an Award is granted, or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (6) Non-Transferrable Awards. Each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Award granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- (7) Participant's Entitlement. Except as otherwise provided in this Plan or unless the Board permits otherwise, upon any Subsidiary of the Company ceasing to be a Subsidiary of the Company, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a director, executive officer, employee or Consultant of such Subsidiary of the Company and not of the Company itself, whether or not then exercisable, shall automatically terminate on the date of such change.

## Section 6.2 General Conditions Applicable to Options.

Each Option shall be subject to the following conditions:

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

**Awards**”) on the date of such Participant’s death. Such Vested Awards shall only be exercisable within 12 months after the Participant’s death or prior to the expiration of the original term of the Options whichever occurs earlier.

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

Each RSU shall be subject to the following conditions:

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

## **ARTICLE 7 ADJUSTMENTS AND AMENDMENTS**

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

In the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Company with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or Shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

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

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

- (1) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, subject to Section 7.3, to modify the terms of this Plan and/or the Awards to assist the Participants to tender into a take-over bid or to participate in any other transaction leading to a Change of Control.
- (2) If the Company completes a transaction constituting a Change of Control and within 12 months following the Change of Control, (i) a Participant who was also an officer or employee of, or Consultant to, the Company prior to the Change of Control has their position, employment or Consulting Agreement terminated, or the Participant is constructively dismissed,

or (ii) a director ceases to act in such capacity, then all unvested RSUs shall immediately vest and shall be paid out, and all unvested Options shall vest and become exercisable. Any Options that become exercisable pursuant to this Section 7.2(2) shall remain open for exercise until the earlier of their expiry date as set out in the Grant Agreement and the date that is 90 days after such termination or dismissal.

- (3) Notwithstanding any other provision of this Plan, this Section 7.2 shall not apply with respect to any DSUs held by a Participant where such DSUs are governed under paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (4) Notwithstanding any other provision of this Plan, for all U.S. Participants, “Change of Control” as defined herein shall be as “Change in Control” is defined in 409A of the U.S. Tax Code.

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

- (1) The Board may suspend or terminate the Plan at any time. Notwithstanding the foregoing, any suspension or termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (2) The Board may from time to time, in its absolute discretion and without approval of the shareholders of the Company make the following types of amendments to this Plan or any Award, subject to any regulatory or Stock Exchange requirement at the time of such amendment:
  - (a) amendments of a “housekeeping” nature, including any amendment that is necessary to: (i) clarify an existing provision of the Plan; correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan; (iii) comply with applicable law or the requirements of the Stock Exchange or any other regulatory body; or (iv) correct any grammatical or typographical errors in the Plan; and
  - (b) amendments regarding the administration of the Plan.
- (3) With approval of the shareholders of the Company (including disinterested shareholder approval, as applicable) and subject to any regulatory or Stock Exchange requirement at the time of such amendment, the Board may amend this Plan, including amendments to the provisions of this Plan that:
  - (a) amend the definition of an Eligible Participant under the Plan;
  - (b) increase the maximum number of Shares issuable under the Plan (either as a fixed number or fixed percentage of the Outstanding Issue), except in the event of an adjustment pursuant to Article 7;
  - (c) increase the maximum number of Shares that may be (A) issuable to Insiders at any time, or (B) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 7;
  - (d) amend the method for determining the Option Price;
  - (e) extend the maximum term of any Award;
  - (f) amend the expiry and termination provisions applicable to an Award; and
  - (g) amend the amendment provisions of the Plan.
- (4) Notwithstanding the foregoing, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.

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

While the Shares are listed for trading on the TSX Venture Exchange, any adjustment, other than in connection with a subdivision of the Shares into a greater number of Shares pursuant to Section 7.1(a) or a consolidation of Shares into a lesser number of Shares pursuant to Section 7.1(b), to any Award pursuant to the provisions hereof is subject to the prior acceptance of the TSX Venture



Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## **ARTICLE 8 MISCELLANEOUS**

### **Section 8.1 Use of an Administrative Agent and Trustee.**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent or trustee to administer the Awards granted under the Plan, including for the purposes of making secondary market purchases of Shares for delivery on settlement of an Award, if applicable, and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

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

Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 8.1, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or determined by the Company as appropriate.

### **Section 8.3 US Tax Compliance.**

- (1) DSU Awards granted to U.S. Participants are intended to comply with, and Option and RSU Awards granted to U.S. Participants are intended to be exempt from, all aspects of Section 409A of the U.S. Tax Code and related regulations ("Section 409A"). Notwithstanding any provision to the contrary, all taxes associated with participation in the Plan, including any liability imposed by Section 409A, shall be borne by the U.S. Participant.
- (2) For purposes of interpreting and applying the provisions of any DSU or other Award to subject to Section 409A, the term "termination of employment" or similar phrase will be interpreted to mean a "separation from service," as defined under Section 409A, provided, however, that with respect to an Award subject to the Tax Act, if the Tax Act requires a complete termination of the employment relationship to receive the intended tax treatment, then "termination of employment" will be interpreted to only include a complete termination of the employment relationship.
- (3) If payment under any DSU or other Award subject to Section 409A is in connection with the U.S. Participant's separation from service, and at the time of the separation from service the Participant is subject to the U.S. Tax Code and is considered a "specified employee" (within the meaning of Section 409A), then any payment that would otherwise be payable during the six-month period following the separation from service will be delayed until after the expiration of the six-month period, to the extent necessary to avoid taxes and penalties under Section 409A, provided that any amounts that would have been paid during the six-month period may be paid in a single lump sum on the first day of the seventh month following the separation from service.

### **Section 8.4 Clawback.**

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or Stock Exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or Stock Exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or Stock Exchange listing requirement). Without limiting the generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which such Participant is bound, or (ii) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or

disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable Stock Exchange listing standards, including and any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Company nor any other person, other than the Participant and such Participant's permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or such Participant's permitted transferees, if any, that may arise in connection with this Section 8.4.

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

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

THE SECURITIES REPRESENTED HEREBY [and for Awards, the following will be added: AND THE SECURITIES ISSUABLE PURSUANT HERETO] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (1) RULE 144 THEREUNDER, IF AVAILABLE, OR (2) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (D) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.
- (3) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (4) The Company shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with a Stock Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (5) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and any funds paid to the Company in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.

**Section 8.6 Reorganization of the Company.**

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

**Section 8.7 Quotation of Shares.**

So long as the Shares are listed on one or more Stock Exchanges, the Company must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.

**Section 8.8 No Fractional Shares.**

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

**Section 8.9 Governing Laws.**

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

**Section 8.10 Severability.**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

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

The Plan was adopted by the Board on [ ● ] and approved by the shareholders of the Company on [ ● ], being the effective date of the Plan.