



Suite 888 – 700 West Georgia Street, Vancouver, BC V6C 2T6

NOTICE OF ANNUAL AND SPECIAL MEETING TO BE HELD ON FEBRUARY 28, 2023

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the “**Meeting**”) of shareholders of Deep-South Resources Inc. (the “**Company**”) will be held via virtual meeting on February 28, 2023, at 10:00 a.m. (Pacific Time), for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for its fiscal year ended August 31, 2022, together with the auditor’s report thereon;
2. to set the number of directors at six (6);
3. to elect directors of the Company for the ensuing year;
4. to re-appoint Smythe LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. to approve the Company’s new Omnibus Equity Incentive Plan; and
6. to transact any other business which may properly come before the Meeting.

Virtual Meeting

This year to mitigate risks to the health and safety of the Company’s shareholders, employees and other stakeholders, the Company will be holding its Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the Meeting and vote virtually. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This voting restriction results from the transfer agent not having a record of non-registered shareholders, such that it would be unable to confirm shareholdings or entitlement to vote unless they appoint themselves as proxyholder. Please see “Appointment and Revocation of Proxy” below in the accompanying Information Circular.

Attending the Meeting Virtually

Shareholders will not be able to attend the Meeting in person. Instead, Registered shareholders and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the virtual Meeting online and non-registered shareholders will be able to attend the virtual Meeting online by registering before February 23, 2023 at the following link:

<https://bit.ly/3FPCwYe>

After registering by completing the online survey, you will receive a confirmation email with access instructions.

To ensure a smooth process, the Company is asking registered participants to log in by 10:00 a.m. (PST) on February 28, 2023. It is the shareholders' responsibility to ensure connectivity during the meeting and the Company encourages its shareholders to allow sufficient time to log in to the Meeting before it begins.

Just as they would be at an in-person meeting, Registered shareholders and duly appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Information Circular. Registered shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and in the Information Circular and return it in accordance with the instructions and timelines set forth in the Information Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

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

Notice and Access

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

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

Websites Where Meetings Materials are Posted

Under Notice and Access, the Company will deliver applicable Meeting materials to shareholders by posting the Meeting materials on the Company's website.

The Meeting materials will be available on this website as of January 24, 2023 and will remain on the website for one full year thereafter. The Meeting materials will also be available under the Company's profile on SEDAR at www.sedar.com as of January 24, 2023.

How to Obtain Paper Copies of Meeting Materials

Shareholders will receive a Notice and Access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. Shareholders who

wish to receive paper copies of the Meeting materials may request copies from the Company by sending written notice to Suite 888, 700 West Georgia Street, Vancouver, British Columbia V7Y 1G5, or by fax to (604) 662-3791; or by telephone call to the Company at (604) 718-5454 or toll-free: 1-888-500-4587; or by email to the Company at info@deepsouthresources.com. Shareholders may request paper copies of the materials for the Meeting be sent to them by postal delivery at no cost to them. To ensure you receive the materials in advance of the voting deadline and Meeting date, all requests must be received no later than February 11, 2023.

Record Date

The directors of the Company have fixed January 13, 2023 as the record date for the Meeting (the “Record Date”). Only shareholders of record at the close of business on the Record Date are entitled to vote at the Meeting or any adjournment or postponement thereof.

Proxies

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please exercise your right to vote by completing and returning the accompanying form of proxy and deposit it with Computershare Trust Company of Canada. Proxies must be completed, dated, signed and returned to Computershare Trust Company of Canada, Proxy Department, at 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1 by 10:00 a.m. (Vancouver time) on February 26, 2023, or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the date to which the Meeting is adjourned or postponed. Telephone voting can be completed at 1-866-732-8683, voting by fax can be sent to 1-866-249-7775 or 416-263-9524 and Internet voting can be completed at www.investorvote.com.

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

DATED at Vancouver, British Columbia, January 13, 2023.

BY ORDER OF THE BOARD

“Pierre Léveillé”

Pierre Léveillé
President & Chief Executive Officer



Suite 888 – 700 West Georgia Street, Vancouver, BC V6C 2T6

INFORMATION CIRCULAR

with information current as of January 13, 2023
(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of **DEEP-SOUTH RESOURCES INC.** (“**Deep-South Resources Inc.**” or the “**Company**”) for use at the Annual and Special Meeting (the “**Meeting**”) of the shareholders of the Company, to be held in a virtual-only format via the Internet at 10:00 a.m. (Pacific Standard Time) on February 28, 2023 and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. In this Information Circular, references to “the Company”, “we” and “our” refer to Deep-South Resources Inc. “Common Shares” means common shares without par value in the capital of the Company. “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally, by telephone or by other communication medium, including email, by directors, officers and regular employees of the Company. Although the Company has not done so at the time of mailing of this Information Circular, the Company may retain a soliciting agent to assist with the solicitation of proxies for the Meeting. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Virtual Meeting

This year to mitigate risks to the health and safety of the Company’s shareholders, employees and other stakeholders, the Company will be holding its Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered Shareholders and proxyholders will be able to attend the Meeting and vote virtually. Non-Registered Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This voting restriction results from the transfer agent not having a record of non-Registered Shareholders, such that it would be unable to confirm shareholdings or entitlement to vote unless they appoint themselves as proxyholder. Please see “Appointment and Revocation of Proxy” below.

Attending the Meeting Virtually

This year to mitigate risks to the health and safety of the Company’s shareholders, employees and other stakeholders, the Company will be holding its Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the Meeting and vote virtually. non-Registered Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This voting restriction results from the transfer agent not having a record of non-Registered Shareholders, such that it would be

unable to confirm shareholdings or entitlement to vote unless they appoint themselves as proxyholder. Please see “Appointment and Revocation of Proxy” below.

Attending the Meeting Virtually

Shareholders will not be able to attend the Meeting in person. Instead, Registered shareholders and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the virtual Meeting online and non-Registered Shareholders will be able to attend the virtual Meeting online by registering before February 23, 2023 at the following link:

<https://bit.ly/3FPCwYe>

After registering by completing the online survey, you will receive a confirmation email with access instructions.

To ensure a smooth process, the Company is asking registered participants to log in by 10:00 a.m. (PST) on February 28, 2023. It is the shareholders’ responsibility to ensure connectivity during the meeting and the Company encourages its shareholders to allow sufficient time to log in to the Meeting before it begins.

Just as they would be at an in-person meeting, Registered Shareholders and duly appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out herein. Registered Shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and return it in accordance with the instructions and timelines set forth below. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

Appointment of Proxyholders

As a Registered Shareholder, you may wish to vote by proxy whether or not you are able to attend the Meeting in person.

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

Voting

Voting at the Meeting will be based on the number of Shares voted by proxy and in person on each matter. Only Registered Shareholders or duly appointed proxyholders with Proxy documentation acceptable to the Chairman of the meeting will be recognized to make motions or vote at the Meeting.

Voting by Proxyholder

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

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

- c) any other matter that properly comes before the Meeting,

to the extent permitted by law, whether or not the amendment or other matter that comes before the Meeting is contested.

If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the proxy and described in the accompanying Notice of Meeting and this Information Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the proxy confers upon the shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting or any adjournment thereof. At the date of this Information Circular, management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

In respect of a matter for which a choice is not specified by you in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter, and for the election of directors and appointment of auditor as set out in this Information Circular.

PERSONS OR COMPANIES MAKING THE SOLICITATION

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

NOTICE-AND-ACCESS

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

The Company has decided to utilize the Notice and Access Provisions this year and to deliver this Information Circular and the supplemental mailing list request card (collectively, the **"Meeting Materials"**) to shareholders by posting the Meeting Materials together with a copy of the Notice of Meeting and Notice and Access notification form, will be available on this website as of January 24, 2023 and will remain on the website for one full year thereafter. The Meeting Materials, together with a copy of the Notice of Meeting and Notice and Access notification form, will also be available under the Company's profile on SEDAR at www.sedar.com as of January 24, 2023.

Shareholders who wish to receive a paper copy of the Meeting Materials may request a copy from the Company by sending written notice to Suite 888 - 700 West Georgia Street, Vancouver, British Columbia V7Y 1G5, or by fax to (604) 662-3791; by telephone call to the Company at (604) 718-5454 or toll-free: 1-888-500-4587; or by email to the Company at info@deepsouthresources.com. Meeting Materials will be sent to such shareholder at no cost to them.

GENERAL PROXY INFORMATION

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the **"Proxy"**) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company**

other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.

Voting by Proxyholder

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

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

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

Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they attend the Meeting via teleconference. Registered shareholders electing to submit a proxy may do so by choosing one of the following methods:

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

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

Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion and the Chairman of the Meeting is under no obligation to accept or reject any particular late proxy. The Chairman of the Meeting may waive or extend the proxy cut-off without notice.

Beneficial Shareholders

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

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common

Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States of America (the "U.S." or the "United States") the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

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

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

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

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

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

Notice to Shareholders in the United States

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

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

to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

EXERCISE OF DISCRETION

If the instructions in an instrument of proxy are certain, the Common Shares represented thereby will be voted on any poll by the persons named in the instrument of proxy and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented thereby will, on a poll, be voted or withheld from voting in accordance with the specifications so made.

Where no choice has been specified by the shareholder, such Common Shares will, on a poll, be voted in accordance with the notes to the instrument of proxy.

The enclosed Proxy form, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The board of directors (the “**Board**”) has fixed January 13, 2023 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading “*General Proxy Information*” above will be entitled to vote or have their Common Shares voted at the Meeting or any adjournment thereof.

The Common Shares are listed on the TSX Venture Exchange (the “**TSXV**”), under the symbol “**DSM**”. As at January 13, 2023 there were 155,474,700 Common Shares without par value issued and outstanding, each Common Share carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares. At a general meeting of the Company, every shareholder shall have one vote for each Common Share of which they are the holder.

To the knowledge of the directors and executive officers of the Company, there were no persons or corporations who beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at January 13, 2023 except as follows:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Teck Resources Ltd.	22,579,608	14.52%

VOTES NECESSARY TO PASS RESOLUTIONS

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

EXECUTIVE COMPENSATION

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

Definitions

In this Information Circular:

“**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.

“**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (i) a CEO;
- (ii) a CFO;
- (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V for that financial year; and
- (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

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

Table of compensation excluding compensation securities							
Name and position	Year Ended Aug 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Pierre Léveillé ⁽¹⁾ President, CEO & Director	2022	150,000	Nil	Nil	Nil	Nil	150,000
	2021	129,500	Nil	Nil	Nil	Nil	129,500
Jean Luc Roy ⁽²⁾ Interim Chairman, COO & Director	2022	102,000	Nil	Nil	Nil	Nil	102,000
	2021	87,500	Nil	Nil	Nil	Nil	87,500

Chantelle Collins CFO	2022 2021	38,000 35,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	38,000 35,500
Tim Fernback ⁽³⁾ Director	2022 2021	Nil Nil	Nil Nil	4,500 2,000	Nil Nil	Nil Nil	4,500 2,000
Thomas Tumoscheit ⁽⁴⁾ Director	2022 2021	Nil Nil	Nil Nil	4,500 3,000	Nil Nil	Nil Nil	4,500 3,000
Ally Angula ⁽⁵⁾ Director	2022 2021	26,143 38,441	Nil Nil	Nil Nil	Nil Nil	Nil Nil	26,143 38,441
Pierre Matte ⁽⁶⁾ Director	2022	3,000	Nil	Nil	Nil	Nil	3,000
Sadike (Luke) Nepela Former Director	2022 2021	Nil 20,000	Nil Nil	1,000 1,000	Nil Nil	Nil Nil	1,000 20,000
John H. Akwenye Former Chairman & Director	2022 2021	20,000 22,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	20,000 22,500
Chad Williams ⁽⁷⁾ Former Director	2022 2021	Nil Nil	Nil Nil	2,500 3,000	Nil Nil	Nil Nil	2,500 3,000
Paul Smith ⁽⁸⁾ Former Director	2022 2021	Nil 3,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 3,000

- (1) Mr. Léveillé was paid a salary of \$12,500 per month.
- (2) Mr. Roy was appointed Interim Chairman July 27, 2022, Chief Operating Officer October 26, 2020. Mr. Roy is a director since May 22, 2018.
- (3) Paid to TCF Ventures Corp., a company controlled by Tim Fernback.
- (4) Paid to Straoit Consult AG, a company controlled by Thomas Tumoscheit.
- (5) Ms. Angula was appointed director on August 3, 2021.
- (6) Mr. Matte was appointed director on February 28, 2022.
- (7) Mr. Williams resigned as director on February 25, 2022.
- (8) Mr. Smith resigned as director on October 26, 2020.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to NEOs or non-NEO directors during the financial year ended August 31, 2022, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Ally Angula Director	Stock Options	100,000	June 29-22	0.08	0.05	0.04	June 29-25
Pierre Matte Director	Stock Options	350,000	June 29-22	0.08	0.05	0.04	June 29-25

No compensation securities were exercised by any NEOs or non-NEO directors during the fiscal year ended August 31, 2022.

If approved by the disinterested Shareholders at the Meeting, the Company’s Omnibus Plan will be used to provide Security-Based Compensation Awards (as defined below) which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company.

External Management Companies

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

Employment, Consulting and Management Agreements

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

1. *Pierre Léveillé – President, CEO and a director of the Company.*

By an agreement executed January 1, 2021 between Pierre Léveillé (“**Léveillé**”) and the Company. Léveillé to fulfill the role of President and CEO of the Company. The Company pays a salary of \$12,500 per month. The Company may terminate the agreement without cause. The Company may at any time terminate the Agreement by paying to the Employee a lump sum amount equal to one year’s salary. The Company may terminate the agreement with cause immediately without further payment. In the event of change of control and if the agreement terminated by the Company within one year of such control Léveillé will receive an amount equal to one year’s salary.

2. *Jean Luc Roy – Chief Operating Office and director of the Company*

By an agreement executed January 1, 2021 between Jean Luc Roy (“**Roy**”) and the Company. Roy will oversee all management and operating functions in Namibia as well as oversee the Financial and Corporate Secretary functions of the Company. For services rendered to fulfill the role of Chief Operating Officer of the Company. The Company pays a salary of \$8,500 per month. The Company

may terminate the agreement without cause. The Company may at any time terminate the Agreement by paying to the Employee a lump sum amount equal to one year's salary. The Company may terminate the agreement with cause immediately without further payment. In the event of change of control and if the agreement terminated by the Company within one year of such control Roy will receive an amount equal to one year's salary.

3. *Chantelle Collins – Chief Financial Officer of the Company*

By an agreement executed February 28, 2020 between Chantelle Collins (“**Collins**”) and the Company. Collins provides financial services to the Company. For services rendered to fulfill the role of Chief Financial Officer of the Company. The Company pays a monthly fee of \$3,000 per month. The Company may terminate the agreement without cause. The Company may at any time upon 30 days' written notice to Collins and paying Collins an amount equal to one year's consulting fee. The Company may terminate the agreement with cause immediately without further payment. In the event of change of control and if the agreement terminated by the Company within one year of such control Collins will receive an amount equal to one year's consulting fee.

During the year ended August 31, 2022, no directors' fees were paid to the non-NEO directors for serving as directors of the Company.

NEOs and non-NEO directors are entitled to participate in the Stock Option Plan.

NEOs and non-NEO directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as NEOs or non-NEO directors, as the case may be.

Oversight and Description of Director and NEO Compensation

Director Compensation

The Company pays a cash compensation to independent directors equal to \$1,500 per quarter. The compensation is for their services in their capacity as directors, except for the granting from time to time of incentive stock options in accordance with the Stock Option Plan and the policies of the TSXV. Should the Company's financial circumstances change in fiscal 2023, the Compensation Committee together with the Board as a whole will determine if there is a need to modify the compensation payable to the directors of the Company, taking into consideration general industry standards for companies similar to the Company.

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

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

Compensation of directors of the Company is reviewed annually and determined by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

In the Board's view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers grants of Security-Based Compensation Awards to directors under the Omnibus Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Security-Based Compensation Awards. Other than the Omnibus Plan, as discussed above, the Company does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Elements of Compensation

The Company's executive compensation policy consists of an annual base salary and long-term incentives in the form of Stock Options granted under the Company's former Option Plan, which was adopted in 2016 (the "**Existing Option Plan**"). If adopted by the disinterested Shareholders at the Meeting, the new 2023 Omnibus Incentive Plan (the "**Omnibus Plan**") will replace the Existing Option Plan.

Named Executive Officer Compensation

The Company has a Compensation Committee consisting of Jean Luc Roy, Tim Fernback and Ally Angula. Ally Angula joined the Board on August 5, 2021 and replaced John Akwenye as a member of the Compensation Committee effective that date. Within the meaning of National Instrument 52-110 "*Audit Committees*" ("**NI 52-110**") majority of the members of the Compensation Committee are independent directors. The Compensation Committee of the Board directs the design and provides oversight for the Company's executive compensation program and has overall responsibility for recommending levels of executive compensation that are competitive in order to attract, motivate and retain highly skilled and experienced executive officers. The Compensation Committee does not have a formal compensation program with set benchmarks; however, the Compensation Committee does have an informal program which seeks to reward an executive officer's current and future expected performance and the achievements of corporate milestones and align the interests of executive officers with the interests of the Company's shareholders.

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

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

The Company's executive compensation program is structured into three main components: employment agreement, consulting fees and long term incentives in the form of stock options granted pursuant to the Stock Option Plan. The following discussion describes the Company's executive compensation program by component of compensation and discusses how each component relates to the Company's overall executive compensation objective. In establishing the executive compensation program, the Company believes:

- consulting fees provide an immediate cash incentive for the Company's NEOs and should be at levels competitive with peer companies that compete with the Company for business opportunities and executive talent; and
- stock options ensure that the NEOs are motivated to achieve the long-term growth of the Company, increase shareholder value and provide capital accumulation linked directly to the Company's performance.

The Company places equal emphasis on consulting fees and stock options as short-term and long-term incentives, respectively.

The Company determines the amount of the consulting fees and stock options to be paid/granted to each NEO based on the performance of the individual and the performance of the Company during the respective year and in comparison to compensation paid to executive officers of other companies which are at a similar stage of development as the Company.

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

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

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

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

See "*Employment, Consulting and Management Agreements*" above for a description of the Company's consulting and employment arrangements with Mr. Léveillé, President, Chief Executive Officer & Director, Mr. Roy, Interim Chairman, Chief Operating Officer and Director, Ms. Collins, Chief Financial Officer of the Company.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

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

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options (a)	Weighted average exercise price of outstanding options (b)	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)⁽¹⁾⁽²⁾
Equity compensation plans approved by shareholders	12,615,000	\$0.14	2,148,470
Equity compensation plans not approved by shareholders	N/A	N/A	N/A
TOTAL:	12,615,000	\$0.14	2,148,470

⁽¹⁾ Represents the Existing Option Plan of the Company. As at August 31, 2022, the Existing Option Plan reserved Shares equal to a maximum of 10% of the issued and outstanding Shares for issue pursuant to the Existing Option Plan, based on 155,474,700 issued and outstanding shares as at August 31, 2022. As of August 31, 2022,

2,232,470 Stock Options were outstanding. The Stock Options issued under the Existing Option Plan are continued under the Omnibus Plan.

⁽²⁾ *As of the date of this Circular, no Securities-Based Compensation Awards were issued under the Omnibus Plan.*

The long-term component of compensation for directors and officers, including the NEOs, is based on Security-Based Compensation Awards. This component of compensation is intended to reinforce management's commitment to long term improvements in the Company's performance.

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

The Omnibus Plan replaces the Company's Existing Option Plan. The Stock Options issued under the Existing Option Plan are to be continued under the Omnibus Plan.

In determining individual grants, the Board considers the experience, responsibilities and performance of each recipient of an award under the Omnibus Plan. Previous grants are also taken into consideration during the grant process.

A brief summary of the features of all types of Security-Based Compensation Awards is provided below and is qualified in its entirety by the provisions of the Omnibus Plan, a copy of the full text which is attached hereto as Schedule "B".

Stock Options

Participants (as such term is defined in the Omnibus Plan) are eligible to receive grants of Stock Options to acquire shares of the Company at the time of employment or contract, if applicable, and thereafter as determined by the Board.

During the fiscal year ended August 31, 2022, the Board granted 1,350,000 Stock Options under the Existing Option Plan. As of the date of this Circular, there were 13,215,000 Stock Options outstanding. The remaining 2,232,470 Stock Options available for future grants will be transferred over to the Omnibus Plan.

Restricted Share Units

Under the proposed Omnibus Plan, participants are eligible to receive grants of RSUs, entitling the holder to receive one Share for each RSU, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement. The Board believes the granting of RSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of RSUs is intended to reward those Employees and Directors who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for RSUs in addition to other restrictions, this compensation element is also designed to support long term retention of valuable Employees and Directors as well as provide an incentive for the achievement of specific milestones, if applicable.

No RSUs have been awarded as of the date of this Circular.

Performance Share Units

Under the proposed Omnibus Plan, Employees and Directors are eligible to receive grants of PSUs, entitling the holder to receive one Share for each PSU, subject to the achievement or attainment of specific performance criteria ("**Performance Criteria**") within a specific period ("**Performance Cycle**"). The number of PSUs and the Performance Criteria which must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of

such PSUs shall be specified in the applicable award agreement. The Board believes the granting of the PSUs incentivizes the attainment of specific goals which support the overall strategies of the Company and creates a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of PSUs is intended to reward those executives who are responsible for the management and growth of the Company and to encourage such executives to develop a long-term vision for the Company to operate in a manner to maximize Shareholder value. By using vesting periods for PSUs in addition to other restrictions, this compensation element is also designed to support long-term retention of valuable employees as well as provide an incentive for the achievement of specific milestones, if applicable.

No PSUs have been awarded as of the date of this Circular.

Deferred Share Units

Under the proposed Omnibus Plan, Directors are eligible to receive grants of DSUs. Directors may elect to receive any part or all of their fees payable in respect of their position as a director as DSUs. Each holder of a DSU is entitled to receive one Common Share for each DSU. The Board believes the granting of DSUs creates long-term incentive, a sense of ownership and an alignment of the recipients' interests with those of the Shareholders. The granting of DSUs is intended to reward directors who are responsible for oversight of the management and growth of the Company and to encourage such directors to maintain a long-term vision for the Company to operate in a manner to maximize Shareholder value.

No DSUs have been awarded as of the date of this Circular.

Other Share-Based Awards

Under the proposed Omnibus Plan, Directors are eligible to receive grants of Other Share-Based Awards. The terms and conditions of each Other Share-Based Award grant shall be evidenced by an Award Agreement. Each Other Share-Based Award shall consist of a right (1) which is not an Option, DSU, RSU or PSU and (2) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Omnibus Plan administrator to be consistent with the purposes of the Omnibus Plan; provided, however, that such right will comply with applicable law. Subject to prior acceptance of the TSXV, the terms of the Omnibus Plan and any applicable award agreement, the Omnibus Plan administrator will determine the terms and conditions of such Other Share-Based Awards.

Existing Option Plan and 2023 Omnibus Incentive Plan

As discussed above, until the adoption of the Omnibus Plan, the Company provided Stock Options under the Existing Option Plan to motivate NEOs by providing them with the opportunity, through Stock Options, to acquire an interest in the Company and benefit from the Company's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of Stock Options to NEOs. Other than the Existing Option Plan, to be replaced by the Omnibus Plan if approved by disinterested Shareholders, the Company does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs. See "Stock Options and Other Incentive Plans"

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No (a) director; (b) executive officer; (c) proposed nominee for election as a director; (d) associate of a director, executive officer or proposed nominee for election as a director; (e) employee; or (f) former director, executive officer or employee of the Company, is, as at January 13, 2023, or was at any time during the Company's last completed financial year, indebted to the Company or any of its subsidiaries.

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

Other than as disclosed elsewhere in this Information Circular, no director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee for election as a director of the

Company, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, this Information Circular briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. Reference is also made to Note 9. "*Related Party Transactions*" and Note 6. "*Share Capital and Contributed Surplus*" in the Company's Annual Financial Statements for the financial year ended August 31, 2022; and in "*Related Party Transactions*," page 28 of the related Management's Discussion and Analysis, both of which were filed under the Company's SEDAR profile on December 20, 2022 at www.sedar.com.

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

MANAGEMENT CONTRACTS

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

See "*Employment, Consulting and Management Agreements*" above for a description of the Company's consulting and employment arrangement with Mr. Léveillé, President, Chief Executive Officer & Director, Mr. Roy, Interim Chairman, Chief Operating Officer and Director and Ms. Chantelle Collins, Chief Financial Officer of the Company.

CORPORATE GOVERNANCE DISCLOSURE

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

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

Board of Directors

Independence

The Company's Board is comprised of six (6) directors: Pierre Léveillé, Jean Luc Roy, Tim Fernback, Thomas Tumoscheit, Ally Angula, and Pierre Matte.

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

Applying the definition set out in section 1.4 of NI 52-110, four of the six members of the Board are independent. The members who are independent are Tim Fernback, Thomas Tumoscheit, Ally Angula, and Pierre Matte. Messrs. Pierre Léveillé and Jean Luc Roy are not independent by virtue of the fact that they are executive officers of the Company (President/CEO and Interim Chairman/COO).

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

Other Directorships

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

Name of Director	Reporting Issuer(s) or Equivalent(s)
Jean Luc Roy	CanAlaska Uranium Ltd
Tim Fernback	Apogee Minerals Ltd. Fuse Cobalt Inc.

Orientation and Continuing Education

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

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

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

Ethical Business Conduct

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

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

Nomination of Directors

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

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

Compensation

The Company's Compensation Committee is comprised of three directors: Jean Luc Roy, Tim Fernback and Ally Angula; however, the Board has not adopted a written mandate or formal procedure with respect to determining compensation for the directors and NEOs.

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

Other Board Committees

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

- (a) Compensation Committee (see "*Oversight and Description of Director and NEO Compensation*" and "*Compensation*" above); and
- (b) Audit committee (the "**Audit Committee**") (see "*Audit Committee*" below).

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board monitors, but does not formally assess, the performance of individual Board members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size and its stage of development, the Board considers a formal assessment process to be inappropriate at this time.

Liability Insurance

The Company has purchased, at its expense, directors' and officers' liability insurance in the aggregate amount of \$2,000,000 to protect its directors and officers against liability incurred in their capacities as directors and officers of the Company and its subsidiaries. During its most recent financial year ended August 31, 2022, the Company paid a premium of \$10,500 for insurance coverage.

Audit Committee

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

Overview

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

The Audit Committee Charter

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

Composition of the Audit Committee

The Company’s Audit Committee is comprised of three directors consisting of Jean Luc Roy, Tim Fernback, and Ally Angula. Ally Angula joined the Board on August 5, 2021 and replaced John Akwenye as a member of the Audit Committee effective that date. The following table sets out the names of the members of the Audit Committee and whether they are ‘independent’ and ‘financially literate’ for the purposes of NI 52-110.

Name of Member	Independent⁽¹⁾	Financially Literate⁽²⁾
Jean Luc Roy	No	Yes
Tim Fernback	Yes	Yes
Ally Angula	Yes	Yes

Notes:

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

Relevant Education and Experience

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

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

Member	Education/Experience
Jean Luc Roy	Mr. Roy’s experience includes being Managing Director in the Democratic Republic of Congo for First Quantum Minerals Ltd; President & CEO of El Nino Ventures Inc., which was mainly focusing on the Democratic Republic of Congo projects; Chief Operating Officer of Ampella Mining Ltd. (division of Centamin PLC) where he was supervising exploration and development of the projects in West Africa and General Manager of Resolute Mining Ltd. where he was supervising all operations in Mali. Mr. Roy holds a Bachelor of Commerce from Concordia University.
Tim Fernback	Mr. Fernback brings to the Company over 20 years of experience in financing public and private small-cap companies in Canada. From 1998 to 2004 Mr. Fernback worked at Wolverton Securities Ltd., a broker-dealer and investment bank based in Western Canada, as the Manager of the Corporate Finance Department. He was responsible for all due diligence activities with respect to Wolverton’s underwritings, mergers, acquisitions, Exchange Sponsorships and corporate consulting practices. Mr. Fernback was the Chief Financial Officer of Upstream Biosciences Inc (OTCBB) from its inception in 2006 until 2009. Upstream is a biotechnology company involved in developing and licensing genetic based diagnostics for cancer susceptibility and drug response. Mr. Fernback is the President of TCF Ventures Corp., a company providing financial advisory services to public and private companies. Mr. Fernback obtained a Bachelor of Science, Honours (B.Sc.) in 1991 from McMaster University in Hamilton, Ontario and a Master of Business Administration (MBA) in 1993 from the University of British Columbia. Mr. Fernback completed the Canadian Securities Course as well as the Partners, Directors and Senior Officers Qualifying Exam.
Ally Angula	Mrs. Angula experience includes principal founder of The CFO Namibia a Chartered Accountancy and Financial Advisory firm; Co-founder and Managing Director of Leap Holdings (Pty) Ltd.; previously Deputy Executive Director of the Ministry of Finance in Namibia; previously Partner at KPMG in Namibia for seven years and External Audit Partner; currently serves on the Boards of Oryx Properties Limited (Vice Chairperson), Pupkewitz Holdings (Pty) Ltd and Nabo Holdings. Also chaired the Audit and Risk Committees of the following Boards: Bank of Namibia (Namibia’s Reserve Bank) and Rossing Uranium Limited. She holds a Bacc. From University of Namibia and a Bcom from University of Natal from South Africa.

Audit Committee Oversight

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

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

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

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
August 31, 2022	\$35,427	Nil	Nil	Nil
August 31, 2021	\$35,427	Nil	Nil	Nil

Notes:

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

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements and Auditor’s Report

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

2. Set Number of Directors

Management of the Company intends to propose a resolution to set the number of directors at six (6).

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

3. Election of Directors

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed, unless the office is vacated earlier in accordance with the Articles of the Company and the *Business Corporations Act* (British Columbia) or unless a director becomes disqualified to act as a director. Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until the next annual general meeting of the Company or until their successors are elected or appointed. **In the absence of instructions to the contrary, the persons designated by management of the Company in the enclosed Proxy intend to vote FOR the nominees listed in this Information Circular.**

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

Name, Province or State, Resident Country, Position(s) with Company⁽¹⁾	Principal Occupation and, if not at Present an Elected Director, Employment	Date(s) Served as a Director	Common Shares Held⁽¹⁾
Pierre Léveillé <i>President, Chief Executive Officer and Director</i> Quebec, Canada	President and owner of Q7 Capital Inc., a private company providing financial advisory services to public and private companies.	February 23, 2017	2,740,813
Jean Luc Roy ⁽²⁾⁽³⁾ <i>Interim Chairman, Chief Operating Officer and Director</i> British Columbia, Canada	Director of CanAlaska Uranium Ltd.	May 22, 2018	Nil
Tim Fernback ⁽²⁾⁽³⁾ <i>Director</i> British Columbia, Canada	President of TCF Ventures Corp., a private company providing financial advisory services to public and private companies.	January 31, 2014	Nil
Thomas Tumoscheit <i>Director</i> Switzerland	Managing Director of Euro Alloys Ltd.	May 27, 2019	1,487,000
Ally Angula ⁽²⁾⁽³⁾ <i>Director</i> Namibia	Mrs. Angula is a Namibian citizen and is a Chartered Accountant with extensive background in accounting and business management in Namibia.	August 5, 2021	Nil
Pierre Matte <i>Director</i> Quebec, Canada	Mr. Matte is retired.	February 28, 2022	Nil

Notes:

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

Management does not contemplate that any of its nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed above before the Meeting, then the persons designated by management of the Company in the enclosed Proxy intend to exercise discretionary authority to vote the shares represented by proxy for the election of any other persons as directors. No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

External Management Companies

Pierre Léveillé, has a management contract with a remuneration of \$12,500 per month.

TCF Ventures Corp. is a private company wholly-owned by Tim Fernback, Director of the Company. Pursuant to monthly invoices, TCF Ventures Corp. provides accounting and administrative services.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

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

Penalties and Sanctions

To the knowledge of the Company, no proposed director:

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

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

4. Appointment of Auditor

Smythe LLP, Chartered Professional Accountants are the auditors of the Company since 2017. Shareholders of the Company will be asked to vote for the re-appointment of Smythe LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the next annual general meeting of shareholders or until its successor has been appointed, at a remuneration to be fixed by the directors.

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

5. Approval of the Company’s 2023 Omnibus Equity Incentive Plan

The Shareholders who are considered to be disinterested shareholders for the purpose hereunder will be asked to consider and, if thought appropriate, to approve the Company’s Omnibus Plan in the form described herein.

As of the date of this Circular, no grants have been made under the Omnibus Plan.

Prior to the adoption of the Omnibus Plan by the Board, the sole security-based compensation plan which the Company had available in order to attract, retain and motivate directors, officers, senior executives and other employees of the Company and consultants and service providers providing ongoing services to the Company, was its Existing Option Plan, pursuant to which the Board was able to grant Stock Options to such individuals. The Board determined it was in the best interests of the Company to adopt a new security-based compensation plan which would 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. The Omnibus Plan will supersede the Existing Option Plan and accordingly no further stock options will be granted under the latter plan.

Consequently, the Board adopted the Omnibus Plan as a means to grant: (i) Stock Options, (ii) restricted share units (“RSUs”), (iii) deferred share units (“DSUs”), (iv) other share-based awards (“**Other Share-Based Awards**”) and (v) performance stock units (“PSUs” and collectively with the Stock Options, RSUs, DSUs and Other Share-Based Awards, the “**Security-Based Compensation Awards**”) to directors, officers, and other employees of the Company or a subsidiary, consultants and service providers providing ongoing services to the Company and its affiliates (“Participants”). The following is a summary of the Omnibus Plan and is qualified in its entirety by the text of the Omnibus Plan attached as Schedule “B” to this Circular. Any undefined term in this summary has the meaning ascribed to it in the Omnibus Plan.

Summary of the Omnibus Plan

Number of Common Shares Reserved

The Omnibus Plan is a “rolling” stock option plan, as such term is defined in Policy 4.4 – *Incentive Stock Options* of the TSXV, permitting the issuance of (i) Stock Options of up to ten (10%) percent of the issued and outstanding Common Shares and (ii) RSUs, DSUs and PSUs of up to ten (10%) percent of the issued and outstanding Common Shares at any point in time.

Vesting

- All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period. The vesting terms are subject to TSX Venture Exchange Policy 4.4.
- All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle. The vesting terms are subject to TSX Venture Exchange Policy 4.4.
- Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be an Eligible Person for any reason or any other vesting period as provided in the Award Agreement, as the case may be, that number of Shares equal to the number of DSUs credited to the Participant’s Account.
- The Board shall, in its sole discretion, determine in the grant letter any and all conditions to the vesting of any Stock Options to a Participant.
- The Plan Administrator will determine the terms and conditions of Other Share-Based Awards and each Other Share-Based Award grant shall be evidenced by an Award Agreement.

Transferability

Except as permitted by the Board, and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards or under the Omnibus Plan whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

Administration

The Omnibus Plan is administered by the Board.

Amendment

The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue the Omnibus Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or the TSXV, and (b) any approval of disinterested shareholders of the Company as required by the rules of the TSXV or applicable law, provided that disinterested

shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to: (i) making any amendments to the general vesting provisions of each Award; (ii) making any amendments to the provisions of the Omnibus Plan regarding the termination of employment or services; (iii) making any amendments to add covenants of the Company for the protection of Participants, as the case may be, provided that the Board shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be; (iv) making any amendments not inconsistent with the Omnibus Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Board shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or (v) making such changes or corrections which, on the advice of counsel to the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Board shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

Shareholder Approval of the Omnibus Plan

The TSXV requires that the resolution to approve the Omnibus Plan (the “**Omnibus Plan Resolution**”) be passed by a majority of the votes cast at the Meeting by disinterested shareholders. The Participants are not disinterested shareholders and, as a result, they will not vote their Shares with respect to the Omnibus Plan Resolution. Based on available information, these excluded Shareholders and their respective associates and affiliates hold an aggregate of 4,327,813 Shares, representing 2.8% of the issued and outstanding Shares as of the Record Date of January 13, 2023.

The form of the Omnibus Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without further approval of the shareholders of the Company.

At the Meeting, the following resolution will be placed before the Shareholders:

“WHEREAS the board of directors of Deep-South Resources Inc. (the “**Company**”) proposes to adopt the new 2023 Omnibus Incentive Plan (the “**Omnibus Plan**”) replacing the existing Stock Option Plan adopted in 2016, as fully described in the Management Information Circular of the Company dated January 13, 2023, subject to the approval of the disinterested shareholders;

BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS THAT:

- the Omnibus Plan be and is hereby approved; and
- any officer or director of the Company be and is hereby authorized and directed to execute any document and do any other thing necessary or desirable to give full effect to this resolution.”

The Omnibus Plan Resolution will only come into force if it is passed by a majority of the votes cast by the disinterested shareholders present or represented by proxy at the Meeting. **Management recommends the approval of the Omnibus Plan Resolution.**

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

OTHER BUSINESS

Management of the Company is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. However, if any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

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

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

BOARD APPROVAL

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

DATED this 13th day of January, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

"Pierre Léveillé"

Pierre Léveillé
Chief Executive Officer and President

SCHEDULE “A”

DEEP SOUTH RESOURCES INC.

AUDIT COMMITTEE CHARTER

The audit committee is elected annually by the board of directors to assist the board in fulfilling its oversight responsibilities. The committee is primarily responsible to the board for the overseeing of managements process of reporting of the financial statements, management discussion and analysis (“MD&A”) and other financial reports provided Deep South Resources Inc., (the “Company”) to any regulatory authority or to the public. Secondly, the committee is required to review the system of internal controls for finance, accounting, and legal compliance. Performance of other duties as may be required from time to time by the board of directors or as required by the amendment of this charter.

COMPOSITION OF AUDIT COMMITTEE

The audit committee is composed of three directors, the majority of them independent. A quorum shall be a majority of members. The chair of the audit committee will be elected by the board of directors. The term for the members will be for one year at which time they may be re-nominated.

RELEVANT EDUCATION AND EXPERIENCE

All of the members of the audit committee shall be financially literate. Financially literate is the ability to read and understand a set of financial statements that present a level of complexity of the issues that can presumably be expected to be raised by the Company’s financial statements. Members will have relevant education or experience to sufficiently execute their duties and responsibilities.

The audit committee is required to name the financial expert who should have a strong financial ability to understand and assess accounting principles relating to estimates, accruals and reserves and financial statements, an understanding of internal controls and the financial reporting process, and experience in the preparation and auditing or evaluating issuers of a similar level of accounting complexity.

ROLE OF THE AUDIT COMMITTEE

The primary purpose of the audit committee is to:

- Oversee the selection and appointment of an auditor
- Oversee the conducting of the audit
- Review and appraise the performance of the auditors, and recommend replacement if warranted
- Set the remuneration to be paid to the auditors for the audit
- Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the issuer’s external auditor
- Oversee the process by which management identifies and manages principle risks that could impact the financial reporting process
- Monitor the integrity of the financial reporting process and system of internal controls regarding the reporting process and ensure implementation of such controls and procedures
- Oversee the Company’s compliance with legal and regulatory reporting
- Where appropriate, engage independent counsel and or other advisors as may be necessary to carry out its duties
- Review and update this Audit Committee Charter on an annual basis or as required
- Assist the CEO in reviewing the performance of the Chief Financial Officer (“CFO”)
- On an annual basis the Committee shall report to the Board that they are compliant with the duties and responsibilities of this Charter.

RELATIONSHIP WITH AUDITORS

The audit committee members shall:

- Review and discuss any disclosed relationships or services that may impact the objectivity and independence of the auditors
- Consult with auditors independent of management
- Review any significant judgements made by management in the preparation of the financial statements
- Review any significant disagreements or difficulties during the audit
- Review and approve any non-audit services to be provided to the Company

INTERNAL CONTROL OVERSIGHT

The Audit Committee provides oversight of the internal control and disclosure procedures and systems that are designed by management to effectively control the financial, monetary, operational, technical and administrative processes undertaken by the Company which may include:

- business functions
- accounting processes
- cash transactions
- information technology systems
- information management
- document and records handling
- personnel
- assets and liabilities
- disclosure and reporting
- authorization and management systems
- administration systems

Disclosure controls and procedures ("DC&P") are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. Internal control over financial reporting ("ICFR") is designed to provide reasonable assurance that such financial information is reliable and complete.

The Chief Financial Officer is responsible for the preparation, presentation and integrity of the financial statements and any financial information filed with securities regulatory authorities or stock exchanges or otherwise publicly disseminated and for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations.

Due to its inherent limitations, no system of internal control over financial reporting, including those determined to be effective, may prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

MEETINGS OF THE AUDIT COMMITTEE

The committee will meet at least four times per year and to discuss specific issues when necessary. These meetings will be either of in person or via teleconferencing. A quorum will be a minimum of two members, or the committee may delegate some of its duties to one or more members.

The minutes of the meetings should be recorded and approved as a true record of the decisions taken. A secretary should be appointed to set up the meetings, prepare the agendas, take minutes and prepare any necessary information for the members.

The committee is authorized to invite management or other specialists to meetings in order to provide expert opinion or information in respect of issues being discussed.

PUBLIC DISCLOSURE OF FINANCIAL INFORMATION

The audit committee must review and approve the Company's interim and annual financials statements and the associated MD&A before they are presented to the Board for full Board approval, prior to the information being disclosed to the regulatory authorities and for public distribution.

AUTHORITIES

In order to undertake its activities, the committee is authorized to study and investigate any activity within the organization or its subsidiaries and shall require all employees to co-operate fully with such investigations. The committee is also authorized to appoint any additional experts that it considers necessary in the completion of its duties.

ANNUAL REVIEW OF CHARTER AND REPORT TO THE BOARD

The Audit committee members will review this Charter on an annually basis, or as needed and will report to the Board on an annual basis that the Committee has executed its duties in compliance with this Charter.

DEEP-SOUTH RESOURCES INC.
OMNIBUS EQUITY INCENTIVE PLAN
APPROVED BY THE BOARD OF DIRECTORS ON JANUARY 13, 2023

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DEEP-SOUTH RESOURCES INC.

Omnibus Equity Incentive Plan

ARTICLE 1 PURPOSE

1.1 Purpose

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees, Management Company Employees and Consultants, to reward such of those Directors, Officers, Employees, Management Company Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Directors, Officers, Employees, Management Company Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

1.2 Amendment to Predecessor Plan

This Plan constitutes an amendment to and restatement of the Corporation's Option Plan dated April 7, 2016 (the "**Predecessor Plan**"). Subject to compliance with the policies of the Exchange, all outstanding Options granted under the Predecessor Plan (the "**Predecessor Options**") shall continue to be outstanding as awards granted under and subject to the terms of this Plan, provided however that all Options which have been granted under the Predecessor Plan remain in force in accordance with their existing terms.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time;

"**Award**" means any Option, Deferred Share Unit, Restricted Share Unit, Performance Share Unit or Other Share-Based Award granted under this Plan, which may be denominated or settled in Shares, cash or in such other forms as provided for herein;

"**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, and evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

"**BCA**" means the *Business Corporations Act* (British Columbia);

"**Board**" means the board of directors of the Corporation as it may be constituted from time to time;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

“**Canadian Taxpayer**” means a Participant that is resident in Canada for purposes of the Tax Act;

“**Cash Fees**” has the meaning set forth in Subsection 5.1(a);

“**Cause**” means:

- (a) with respect to a particular Employee: (1) “cause” as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee; (2) in the event there is no written or other applicable employment agreement between the Corporation or a subsidiary of the Corporation and the Employee or “cause” is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or (3) in the event neither clause (1) nor (2) apply, then “cause” as such term is defined by applicable law or, if not so defined, then (A) with respect to an Award of an Employee that is not employed in the United States, such term shall refer to circumstances where an employer can terminate an individual’s employment without notice or pay in lieu thereof; and (B) with respect to an Award of an Employee that is employed in the United States (i) any breach of any written agreement between the Corporation and Employee; (ii) any failure to perform assigned job responsibilities in a competent and diligent manner that continues unremedied for a period of thirty (30) days after written notice to Employee by the Corporation and Employee shall only be entitled to such notice once per calendar year; (iii) the commission of a felony or misdemeanor or failure to contest prosecution for a felony or misdemeanor; (iv) the Corporation’s reasonable belief that Employee engaged in a violation of any statute, rule or regulation, any of which in the judgment of Employer is harmful to the Corporation’s business or reputation; or (v) the Corporation’s reasonable belief that Employee engaged in unethical practices, dishonesty or disloyalty,
- (b) in the case of a Consultant (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Corporation or any of its Affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;
- (c) in the case of a Director, ceasing to be a Director as a result of (1) ceasing to be qualified to act as a Director pursuant to the section 124 of the BCA; (2) a resolution having been passed by the shareholders pursuant to section 128(3)(a) of the BCA, or (3) an order made by any Regulatory Authority having jurisdiction to so order; or
- (d) in the case of an Officer, (1) cause as such term is defined in the written employment agreement with the Officer or if there is no written employment agreement or cause is not defined therein, the usual meaning of just cause under the common law or the laws of the jurisdiction in which the Officer provides services; or (2) ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order.

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

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or a wholly-owned subsidiary of the Corporation) hereafter acquires the direct or indirect “beneficial ownership” (as defined in the Securities Act (British Columbia)) of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a wholly-owned subsidiary of the Corporation;
- (c) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one or more Persons which were wholly-owned subsidiaries of the Corporation prior to such event;
- (d) the occurrence of a transaction requiring approval of the Corporation’s shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned subsidiary of the Corporation);
- (e) subject to the prior acceptance of the Exchange, any other event which the Board determines to constitute a change in control of the Corporation; or
- (f) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (the “**Incumbent Board**”) for any reason cease to constitute at least a majority of the members of the Board, unless the election, or nomination for election by the Corporation’s shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board; provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred pursuant to clauses (a), (b), (c) or (d) above if immediately following the transaction set forth in clause (a), (b), (c) or (d) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (b) above) (the “**Surviving Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (“**voting power**”) of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the “**Parent Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction

which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a **“Non-Qualifying Transaction”** and, following the Non-Qualifying Transaction, references in this definition of “Change in Control” to the “Corporation” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a Company or a trust, references to the “Board” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

Notwithstanding the foregoing, for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which would be required upon, or accelerated upon, a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

“Code” means the United States Internal Revenue Code of 1986, as amended from time to time;

“Commencement Date” has the meaning set forth in Section 10.1(e);

“Committee” has the meaning set forth in Section 3.2;

“Company” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“Consultant” means, in relation to the Corporation an individual (other than a Director, Officer or Employee of the Corporation or any of its subsidiaries) or Company that:

- (a) is engaged to provide services on an ongoing bona fide basis, consulting, technical management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a Distribution;
- (b) provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or the Company, as the case may be; and
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a subsidiary of the Corporation;

“Consultant Company” means a Consultant that is a Company;

“Control” means:

- (d) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
- (e) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and

- (f) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and

the words “Controlled by”, “Controlling” and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

“**Corporation**” means Deep-South Resources Inc.;

“**Date of Grant**” means, for any Award, the current date or future date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

“**Deferred Share Unit**” or “**DSU**” means any right granted under Article 5 of this Plan;

“**Director**” means a director of the Corporation who is not an Employee;

“**Director Fees**” means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

“**Disabled**” or “**Disability**” means, in respect of a Participant, suffering from a state of mental or physical disability, illness or disease that prevents the Participant from carrying out his or her normal duties as an Employee for a continuous period of six months or for any period of six months in any consecutive twelve month period, as certified by two medical doctors or as otherwise determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

“**Disinterested Shareholder Approval**” means approval in accordance with TSX Venture Exchange Policy 4.4 by the Corporation’s shareholders at a duly constituted shareholders meeting, excluding: (i) votes attached to the Shares beneficially owned by Insiders to whom Awards may be granted under the Plan and their associates and affiliates; and (ii) such other excluded votes as described under TSX Venture Exchange Policy 4.;

“**Effective Date**” means the effective date of this Plan, being January 13, 2022;

“**Elected Amount**” has the meaning set forth in Subsection 5.1(a);

“**Electing Person**” means a Participant who is, on the applicable Election Date, a Director;

“**Election Date**” means the date on which the Electing Person files an Election Notice in accordance with Subsection 5.1(b);

“**Election Notice**” has the meaning set forth in Subsection 5.1(b);

“**Employee**” means:

- (a) an individual who is considered an employee of the Corporation or any of its subsidiaries under the Income Tax Act (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

(b) an individual who works full-time for the Corporation or any of its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or its subsidiary over the details and methods of work as an employee of the Issuer or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or

an individual who works full-time for the Corporation or any of its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiaries over the details and methods of work as an employee of the Corporation or of the subsidiaries, as the case may be, but for whom income tax deductions are not made at source;

“**Exchange**” means, as applicable, the TSXV, the TSX, or any other exchange on which the Shares are or may be listed from time to time;

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

“**Exercise Price**” means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

“**Expiry Date**” means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

“**Fair Market Value**” with respect to one Share as of any date shall mean (a) if the Shares are listed on the Exchange, the price of one Share at the close of the regular trading session of such market or exchange on the last trading day prior to such date, and if no sale of Shares shall have occurred on such date, on the next preceding date on which there was a sale of Shares (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Exchange)); (b) if the Shares are not so listed on an established stock exchange, the average of the closing “bid” and “asked” prices quoted by the OTC Markets, the National Quotation Bureau, or any comparable reporting service on such date or, if there are no quoted “bid” and “asked” prices on such date, on the next preceding date for which there are such quotes for a Share; or (c) if the Shares are not publicly traded as of such date, the per share value of one Share, as determined by the Board, or any duly authorized Committee of the Board, in its sole discretion, by applying principles of valuation with respect thereto, and with respect to Options awarded to U.S Taxpayers, such valuation principles will be in accordance with U.S. Treasury Regulation Section 1.409A-1(b)(5)(iv)(B)(1).

“**Insider**” has the meaning given to such term in the *Securities Act* (British Columbia);

“**Investor Relations Activities**” means any activities or oral or written communications, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

(a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:

(A) to promote the sale of products or services of the Corporation; or

(B) to raise public awareness of the Corporation;

that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws; and
 - (ii) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or Exchange having jurisdiction over the Corporation;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (i) the communication is only through the newspaper, magazine or publication; and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by an Exchange.

“Investor Relations Service Provider” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.

“Management Company Employee” means an individual employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation,

“Market Price” at any date in respect of the Shares shall be determined as follows:

- (a) if the Shares are then listed on the Exchange, then the Market Price shall be the volume weighted average trading price on the Exchange for the ten trading days immediately preceding such date (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Exchange); and
- (b) if the Shares are not listed on the Exchange, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authorities, the fair market value of the Shares on such date as determined by the Board in its discretion;

“Officer” means an officer (as defined under Securities Laws) of the Corporation or of any of its subsidiaries;

“Options” means a right granted to a Participant by the Corporation to acquire Shares of the Corporation at a specified price for a specified period of time;

“Option Shares” means Shares issuable by the Corporation upon the exercise of outstanding Options;

“Other Share-Based Award” means any right granted under Article 8;

“Participant” means a Director, Officer, Employee, Management Company Employee or Consultant to whom an Award has been granted under this Plan;

“Participant’s Employer” means with respect to a Participant that is or was an Employee, the Corporation or such subsidiary of the Corporation as is or, if the Participant has ceased to be employed by the Corporation or such subsidiary of the Corporation, was the Participant’s Employer;

“Performance Goals” means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

“Performance Share Unit” or **“PSU”** means any right granted under Article 7 of this Plan;

“Person” means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

“Plan” means this Omnibus Equity Incentive Plan, as may be amended from time to time;

“Plan Administrator” means the Board or, to the extent that the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“Predecessor Options” has the meaning set forth in Subsection 1.2;

“Predecessor Plan” has the meaning set forth in Subsection 1.2;

“Regulatory Authorities” means all stock exchanges, inter-dealer quotation networks and other organized trading facilities on which the Shares are listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation;

“Restricted Share Unit” or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

“Retirement” means, unless otherwise defined in the Participant’s written or other applicable employment agreement or in the Award Agreement, the termination of the Participant’s working career at the age of 67 or such other retirement age, with consent of the Plan Administrator, if applicable;

“Section 409A of the Code” means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

“Securities Laws” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;

“Security Based Compensation Arrangement” means an Option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers, Employees and/or service providers of the Corporation or any subsidiary of the Corporation;

“**Separation from Service**” has the meaning ascribed to it under Section 409A of the Code.

“**Share**” means one common share in the capital of the Corporation as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

“**Subsidiary**” means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary, provided that, in the case of a Canadian Taxpayer, the issuer is related (for purposes of the Tax Act) to the Corporation;

“**Tax Act**” means the *Income Tax Act* (Canada) as amended from time to time and all regulations, interpretations and administrative guidance issued thereunder;

“**Termination Date**” means:

- (a) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates: (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation in a written employment agreement, or other written agreement between the Employee and Corporation or a subsidiary of the Corporation, or (ii) if no written employment agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which an Employee ceases to be an employee of the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not mean the date of termination of any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant;
- (b) in the case of a Consultant whose consulting agreement or arrangement with the Corporation or a subsidiary of the Corporation, as the case may be, terminates, the date that is designated by the Corporation or the subsidiary of the Corporation (as the case may be), as the date on which the Participant’s consulting agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant’s consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given, and “Termination Date” specifically does not mean the date on which any period of notice of termination that the Corporation or the subsidiary of the Corporation (as the case may be) may be required to provide to the Participant under the terms of the consulting agreement or arrangement expires; or
- (c) notwithstanding the foregoing, in the case of a U.S. Taxpayer, a Participant’s “Termination Date” will be the date the Participant experiences a Separation from Service with the Corporation or a subsidiary of the Corporation.

“**TSX**” means the Toronto Stock Exchange;

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

“**U.S.**” means the United States of America;

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

“**VWAP**” means the volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Options.

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms “Article”, “Section”, “Subsection” and “clause” mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3 **ADMINISTRATION**

3.1 Administration

This Plan will be administered by the Plan Administrator and, except as otherwise provided for herein, the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, Deferred Share Units, Restricted Share Units, Performance Share Units or Other Share-Based Awards), in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:

- (i) the time or times at which Awards may be granted;
 - (ii) the conditions under which:
 - (A) Awards may be granted to Participants; or
 - (B) Awards may be forfeited to the Corporation, including vesting and any conditions relating to the attainment of specified Performance Goals;
 - (iii) the number of Shares to be covered by any Award;
 - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
 - (vii) establish the form or forms of Award Agreements;
- (c) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
 - (d) construe and interpret this Plan and all Award Agreements;
 - (e) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;
 - (f) If an Award is to be granted to Employees, Consultants, or Management Company Employees, the Plan Administrator and the Participant to whom that Award is to be granted are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant, or Management Company Employee; and
 - (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.
 - (h) Notwithstanding the foregoing, the grant of any Other Share-Based Awards that are not Options, Deferred Share Units, Restricted Share Units or Performance Share Units will be subject to Exchange and shareholder approval (as applicable).

3.2 Delegation to Committee

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the “Committee”) all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

3.3 Determinations Binding

Except as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation and all subsidiaries of the Corporation, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Directors, Officers, Employees, Management Company Employees and Consultants are eligible to participate in the Plan, subject to Section 10.1(e). Only Directors are eligible to receive DSUs. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Officer, Employee, Management Company Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Officer, Employee, Management Company Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Total Shares Subject to Awards

- (a) Subject to adjustment as provided for in Article 11 and any subsequent amendment to this Plan, in respect of Options, so long as it may be required by the rules and policies of the Exchange:

- (i) the aggregate number of Shares issuable under this Plan in respect of Options shall not exceed ten (10%) percent of the Corporation's issued and outstanding Shares at any point in time;
 - (ii) the total number of Options issuable to Investor Relations Service Providers shall not exceed two (2%) percent of the issued and outstanding Shares in any twelve (12) month period, calculated as at the date any Award is granted; and
- (b) In respect of Deferred Share Units, Restricted Share Units or Performance Share Units, the maximum aggregate number of Shares issuable under this Plan in respect of Deferred Share Units, Restricted Share Units and Performance Share Units shall not exceed 15,547,470 at any point in time, representing ten (10%) percent of the issued and outstanding Shares of the Corporation at the Effective Date; and
- (c) Any exercise of Options, Deferred Share Units, Restricted Share Units and Performance Share Units does not increase the available number of Options, Deferred Share Units, Restricted Share Units and Performance Share Units issuable under the Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan:

- (a) If the Corporation is subject to the policies of the TSXV, the number of grants which may be issuable under the Corporation's Security Based Compensation Arrangements in existence from time to time on and after the effective date of the Plan,:
 - (i) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation at any point in time, unless the Corporation has obtained Disinterested Shareholder Approval;
 - (ii) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation within any 12 month period, calculated as at the date any Award is granted to any Insider, unless the Corporation has obtained Disinterested Shareholder Approval;
 - (iii) to any one Person, shall be no more than 5% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted, with the exception of a Consultant who may not receive grants of more than 2% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted;
 - (iv) to all Investor Relations Service Providers, shall be no more than an aggregate of 2% of the number of issued and outstanding Shares in the capital of the Corporation within any 12 month, calculated as at the date any Award is granted, and shall only include Options (and no other form of Award); and
 - (v) if the recipient of an Award is a Company, excluding Participants that are Consultant Companies, then such recipient must provide the TSXV with a completed *Certification and Undertaking Required from a Company Granted Security Based Compensation* in the form of Schedule "A" to Form 4G - *Summary Form – Security Based Compensation*.

- (b) If the Corporation is subject to the policies of the TSX then the aggregate number of Shares:
 - (i) issuable to Insiders at any time under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares; and
 - (ii) issued to Insiders within any one year period, under all of the Corporation's Security Based Compensation Arrangements, shall not exceed 10% of the Corporation's total issued and outstanding Shares.

3.8 Award Agreements

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one Officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, any Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non-transferability of Awards

Except as permitted by the Exchange, and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards or under this Plan whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Fair Market Value on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date and the Plan Administrator will ensure that no Option shall be exercised beyond the date permitted by the Exchange.

4.4 Vesting and Exercisability

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options provided that for so long as the Corporation is listed on the TSXV: (i) Options granted to Investor Relations Service Providers shall be subject to the vesting requirements set out in TSX Venture Exchange Policy 4.4; and (ii) Awards granted to all other Participants shall be subject to the vesting requirements of TSX Venture Exchange Policy 4.4.

- (b) Once an instalment becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option or instalment may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any instalment of any Option, other than an Option granted to an Investor Relations Service Provider, becomes exercisable.
- (c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.
- (d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by wire transfer, certified cheque, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include: (i) in the event that payment of the Exercise Price is occurring via cashless or net exercise in accordance with Sections 4.6 and 4.7 of this Plan, respectively, through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation); or (ii) such other consideration and method of payment for the issuance of Shares to the extent permitted by the Exchange and Securities Laws, or any combination of the foregoing methods of payment.
- (b) No Shares will be issued or transferred until full payment therefor has been received by the Corporation.

4.6 Cashless Exercise

Subject to prior approval by the Board, where the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Shares underlying Options, the Participant may borrow money from such brokerage firm to exercise Options. The brokerage firm will then sell a sufficient number of Shares to cover the Exercise Price of such Option in order to repay the loan made to the Participant. The brokerage firm will receive an equivalent number of Shares from the exercise of such Options and the Participant will receive the balance of the Shares or the cash proceeds from the balance of such Shares.

4.7 Net Exercise of Options

Subject to prior approval by the Board, a Participant may elect to surrender for cancellation to the Corporation any vested Option. The Corporation will issue to the Participant, as consideration for the surrender of the Option, that number of Option Shares (rounded down to the nearest whole number) determined on a net issuance basis in accordance with the following formula below. The Corporation may

elect to forego any deduction in accordance with subsection 110(1.1) of the Tax Act, in respect of such surrender:

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

where:

X = The number of Option Shares issuable to the Participant as consideration for respect of the exchange or surrender of an Option under this Section 4.7;

Y = The number of Option Shares issuable with respect to the vested portion of the Option exercised by the Participant (the “**Subject Options**”);

A = The VWAP of the Shares; and

B = The Exercise Price of the Subject Options.

ARTICLE 5 DEFERRED SHARE UNITS

5.1 Granting of DSUs

- (a) The Plan Administrator may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person may be given, subject to the conditions stated herein, the right to elect in accordance with Section 5.1(b) to participate in the grant of additional DSUs pursuant to this Article 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 5 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The “**Elected Amount**” shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the “**Cash Fees**”).
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form of Schedule A hereto (the “**Election Notice**”) with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year in which the services giving rise to the compensation are performed (other than for Director Fees payable for the 2022 financial year to any Electing Person who is not a U.S. Taxpayer as of the date of this Plan, in which case such Electing Person shall file the Election Notice by the date that is 30 days from the effective date of the Plan with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of an existing Electing Person who is a U.S. Taxpayer as of the Effective Date of this Plan and who was not eligible to participate in the Predecessor Plan or in any other deferred compensation plan required to be aggregated with this Plan for purposes of Code Section 409A, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election

Date; and in the case of a newly appointed Electing Person who is a U.S. Taxpayer, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

- (c) Subject to Subsection 5.1(d), the election of an Electing Person under Subsection 5.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a “black-out” on trading. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 5.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 5, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.
- (e) Any DSUs granted pursuant to this Article 5 prior to the delivery of a termination notice pursuant to Section 5.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.
- (g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

5.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

5.3 Vesting of DSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine the vesting terms applicable to grants of DSUs provided that for so long as the Corporation is listed on the TSXV the vesting terms shall be subject to TSX Venture Exchange Policy 4.4.

5.4 Settlement of DSUs

- (a) DSUs shall be settled on the date established in the Award Agreement; provided, however that notwithstanding any other terms of this Plan to the contrary, in no event shall a DSU Award be settled prior to the applicable Participant's Retirement, termination of employment or directorship or death or later than one (1) year following the date of the applicable Participant's Retirement, termination of employment or directorship or death. If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the Participant's Retirement, termination of employment or directorship or death, subject to the delay that may be required under Section 12.8(d) below in the case of a U.S. Taxpayer. Subject to Section 12.8(d) below in the case of a U.S. Taxpayer, and except as otherwise provided in an Award Agreement, on the settlement date for any DSU, each vested DSU will be redeemed for:
- (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,
- in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

ARTICLE 6 RESTRICTED SHARE UNITS

6.1 Granting of RSUs

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.
- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.

6.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

6.3 Vesting of RSUs

The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of RSUs provided that for so long as the Corporation is listed on the TSXV the vesting terms shall be subject to TSX Venture Exchange Policy 4.4.

6.4 Settlement of RSUs

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms, including time of settlement, applicable to the grant of RSUs and such terms will be set forth in the applicable Award Agreement. Subject to Section 12.8(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the each vested RSU will be redeemed for:
 - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above, in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 6.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.8(d) below and except as otherwise provided in an Award Agreement, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 6.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

ARTICLE 7

PERFORMANCE SHARE UNITS

7.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each PSU grant, including time of settlement, shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 7.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

7.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a Participant's employment and the amount of

any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

7.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied relative to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

7.4 PSU Account

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

7.5 Vesting of PSUs

The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of PSUs provided that for so long as the Corporation is listed on the TSXV the vesting terms shall be subject to TSX Venture Exchange Policy 4.4.

7.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs, which shall be set forth in the applicable Award Agreement. Subject to Section 12.8(d) below and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, each vested PSU will be redeemed for:
 - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 7.6 by the Corporation to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.8(d) below and except as otherwise provided in an Award Agreement, no settlement date for any PSU shall occur, and no Share shall be issued or

cash payment shall be made in respect of any PSU, under this Section 7.6 any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

ARTICLE 8

OTHER SHARE-BASED AWARDS

Subject to prior acceptance of the Exchange, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Other Share-Based Awards to any Participant. The terms and conditions of each Other Share-Based Award grant shall be evidenced by an Award Agreement. Each Other Share-Based Award shall consist of a right (1) which is other than an Award or right described in Article 4, Article 5, Article 6, and Article 7 above, and (2) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Plan Administrator to be consistent with the purposes of the Plan; provided, however, that such right will comply with applicable law. Subject to prior acceptance of the Exchange, the terms of this Plan and any applicable Award Agreement, the Plan Administrator will determine the terms and conditions of Other Share-Based Awards. Shares or other securities delivered pursuant to a purchase right granted under this Article 8 will be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, other property, or any combination thereof, as the Plan Administrator shall determine in its discretion.

ARTICLE 9

ADDITIONAL AWARD TERMS

9.1 Dividend Equivalents

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, and subject to the restrictions of the Exchange set out in Subsection 3.7(a) above (if the Corporation is subject to the policies of the TSXV), as part of a Participant's grant of DSUs, PSUs or RSUs (as applicable) and in respect of the services provided by the Participant for such original grant, DSUs, PSUs and RSUs (as applicable) shall be credited with dividend equivalents in the form of additional DSUs, PSUs or RSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be in the amount a Participant would have received if the DSUs, PSUs or RSUs had been settled for Shares on the record date of such dividend. Dividend equivalents credited to a Participant's account shall be subject to the same terms and conditions, including vesting and time of settlement, as the DSUs, PSUs or RSUs, as applicable, to which they relate. Notwithstanding any other terms of this Plan, if the number of securities issued as dividend equivalents, together with all of the Corporation's other share-based compensation would exceed any of the limits set forth in this Plan or TSX Venture Exchange Policy 4.4, then the Corporation may make payment for such dividend in cash to the extent that it does not have a sufficient number of Shares available under this Plan to satisfy its obligations in respect of such dividends.
- (b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

9.2 Blackout Period

In the event that an Award expires, at a time when an undisclosed material change or material fact in the affairs of the Corporation exists, subject to the requirements of TSX Venture Exchange Policy 4.4, the expiry of such Award will be extended to a date that is no later than 10 business days after the expiry of the blackout period formally imposed by the Corporation pursuant to its internal trading policies as a result of the undisclosed material change or material fact, provided that in no event will the expiry date extend beyond ten years from the Date of Grant.

9.3 Withholding Taxes

- (a) Notwithstanding any other terms of this Plan, and subject to TSX Venture Exchange Policy 4.4, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or an Affiliate of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (i) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the Participant, (ii) require the sale of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (iii) enter into any other suitable arrangements for the receipt of such amount.
- (b) notwithstanding any other terms of this Plan to the If the Corporation does not withhold an amount or require payment of an amount by a Participant sufficient to satisfy all obligations referred to in 9.3(a), the Participant shall forthwith make reimbursement, on demand, in cash, of any amount paid by the Corporation to a governmental authority to satisfy any such obligation.

9.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation and in effect at the Date of Grant of the Award, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 9.1 to any Participant or category of Participants.

ARTICLE 10
TERMINATION OF EMPLOYMENT OR SERVICES

10.1 Termination of Employment, Services or Director

Subject to Section 10.2, unless otherwise determined by the Plan Administrator and as set forth in an employment agreement, Award Agreement or other written agreement:

- (a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;
- (b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then any unvested Options or other Awards held by the Participant as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date. Any vested Options held by the Participant as of the Termination Date may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is ninety (90) days after the Termination Date. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (c) where a Participant becomes Disabled, then any Option held by the Participant that has not vested as of the date of the Disability of such Participant shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Disability. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Option held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the date of the death of such Participant. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (e) where a Participant's employment, consulting agreement or arrangement is terminated due to Retirement, then any Option held by the Participant that has not vested as of the date of such Retirement shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Retirement. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately

forfeited upon the termination of such period. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the “**Commencement Date**”) employment, consulting or acting as a director of the Corporation or any of its subsidiaries (or in an analogous capacity) or otherwise as a service provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, to the discretion of the Plan Administrator, any Option held by the Participant that has not been exercised as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;

- (f) a Participant’s eligibility to receive further grants of Options or other Awards under this Plan ceases as of:
 - (i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant’s employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or
 - (ii) the date of the death, Disability or Retirement of the Participant; and
- (g) notwithstanding Subsection 10.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Officer Employee, Management Company Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation.

10.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 10.1 but subject to compliance with the policies of the Exchange and Section 5.4(a), the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator and with respect to Awards to U.S. Taxpayers, in a manner that does not result in adverse tax consequences under Section 409A of the Code. Notwithstanding the foregoing, Options granted to Investor Relations Service Providers cannot be accelerated without the prior acceptance of the Exchange.

10.3 Participants’ Entitlement

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the Corporation and an Affiliate of the Corporation. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the Corporation ceases to be an Affiliate of the Corporation.

ARTICLE 11

EVENTS AFFECTING THE CORPORATION

11.1 General

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other

change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 11 would have an adverse effect on this Plan or on any Award granted hereunder.

11.2 Change in Control

Except as may be set forth in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant:

- (a) Subject to the prior acceptance of the Exchange, where applicable, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control provided that such Participant ceases to be an eligible Participant under this Plan upon such change of control; (iii) subject to prior acceptance by the Exchange, the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) subject to prior acceptance by the Exchange, the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) subject to prior acceptance by the Exchange, any combination of the foregoing. In taking any of the actions permitted under this Subsection 11.2, the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 11.2) any property in connection with a Change of Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted.
- (b) Notwithstanding Subsection 11.2, and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards granted under this Plan (other than Options and DSUs held by Canadian Taxpayers) at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant

as determined by the Plan Administrator, acting reasonably, or in the case of Options held by a Canadian Taxpayer by permitting the Canadian Taxpayer to surrender such Options to the Corporation for an amount for each such Option equal to the fair market value of such Option as determined by the Plan Administrator, acting reasonably, upon the completion of the Change in Control (following which such Options may be cancelled for no consideration).

- (c) It is intended that any actions taken under this Section 11.2, or under Sections 11.3 and 11.4, will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers and with the requirements of paragraph 6801(d) of the *Income Tax Regulations* (Canada) with respect to DSUs granted to Canadian Taxpayers.
- (d) Any actions taken under this Section 11.2 will comply with the policies of the Exchange including, without limitation, the requirement that the acceleration of vesting of Options granted to Investor Relations Service Providers shall only occur with the prior written approval of the Exchange.

11.3 Reorganization of Corporation's Capital

Subject to the prior approval of the Exchange, if applicable, should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, then the Plan Administrator in consultation with the Board will take such steps as are required to preserve the proportionality of the rights and obligations of the Participants holding such Awards as it deems equitable and appropriate.

11.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange (if required), authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 11.2 and 11.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 11.2 and 11.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required, to permit the immediate vesting of any unvested Awards other than any Option granted to an Investor Relations Service Provider.

11.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 11, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the

number of Shares that may be acquired as a result of a grant of Awards or other entitlements of the Participants under such Awards.

11.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, if (whether as a result of any adjustment under this Article 11, a dividend equivalent or otherwise) a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 12 U.S. TAXPAYERS

12.1 Provisions for U.S. Taxpayers

In the case of a Participant who is a U.S. Taxpayer, Options may only be awarded to such Participant to the extent the Participant performs direct services to (A) the Corporation or any entity (other than the Corporation), in an unbroken chain of corporations (or other entities) beginning with the Corporation, in which each of the corporations (or other entities) other than the last corporation or other entity in the unbroken chain owns, directly or indirectly, equity representing at least 50% of the voting power of all classes of equity entitled to vote or at least 50% of the value of all classes of equity in one of the other corporations (or other entities) in such chain, or (B) to an entity that otherwise qualifies as an eligible issuer of service recipient stock pursuant to United States Treasury Regulation Section 1.409A-1(b)(5)(iii)(E)(1). Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code (“**ISOs**”). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option, and if no designation is made, the Option will be a non-qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO.

12.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed 2,000,000 Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may be granted to any employee of the Corporation, or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Sections 424(e) and (f) of the Code. No ISOs may be granted more than ten (10) years after the earlier of (i) the date on which the Board adopts the most recent amendment and restatement of the Plan, or (ii) the date on which the shareholders of the Corporation approve such most recent amendment and restatement of the Plan. An ISO may be exercised during the Participant’s lifetime only by such the Participant. An ISO may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by the Participant, except by will or by the laws of descent and distribution.

12.3 ISO Term and Exercise Price; Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, the term of an ISO shall not exceed ten (10) years, and the exercise price of an ISO shall be not less than one hundred percent (100%) of the Fair Market Value on the applicable grant date; *provided, however*, that if an ISO is granted to a person who owns Shares representing more than 10% of the voting power of all classes of Shares of the Corporation or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the ISO shall not exceed five years from the time of grant of such ISO and the Exercise Price shall be at least 110% of the Fair Market Value of the Shares subject to the ISO.

12.4 \$100,000 Per Year Limitation for ISOs

To the extent the aggregate Fair Market Value as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

12.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

12.6 ISO Status Following Termination of Employment

An ISO shall be exercisable in accordance with its terms under the Plan and the applicable Award Agreement or certificate awarding the ISO. However, in order to retain its treatment as an ISO for U.S. federal income tax purposes, the ISO must be exercised within the time periods set forth below. If an ISO is not exercised within the time periods below, but the Option otherwise would remain exercisable following such time periods pursuant to the terms of the Award Agreement, then, following the expiration of the time periods below without exercise the ISO will be converted to a non-qualified stock option.

- (a) If a Participant who has been granted an ISO ceases to be an employee for any reason other than the death or disability (within the meaning of Code Section 22(e)) of such Participant, such ISO must be exercised (to the extent such ISO was exercisable on the Termination Date) by such Participant within three months following the Termination Date (but in no event beyond the Expiry Date of such ISO).
- (b) If a Participant who has been granted an ISO ceases to be an employee due to the disability of such Participant (within the meaning of Code Section 22(e)), such ISO must be exercised (to the extent it is exercisable by its terms) by the date that is one year following the date of such disability, but in no event beyond the Expiry Date of such ISO.
- (c) For purposes of this Section 12.6, the employment of a Participant who has been granted an ISO will not be considered interrupted or terminated upon (a) sick leave, military leave or any other leave of absence approved by the Corporation that does not exceed ninety (90) days in the aggregate; provided, however, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation will not apply, or (b) a transfer from one office of the Corporation (or of any parent or subsidiary of the Corporation as defined in Code Sections 424(e) and (f)) to another office of the Corporation (or of any such parent or subsidiary) or a transfer between the Corporation and any such parent or subsidiary.

12.7 Shareholder Approval for ISO Purposes

In the event the Plan is not approved by the shareholders of the Corporation in accordance with the requirements of Section 422 of the Code within twelve (12) months of the date of adoption of the Plan (or the date of any later restatement of the Plan that adds or changes ISO provisions requiring shareholder approval), Options otherwise designated as ISO will be non-qualified stock options.

12.8 Section 409A of the Code

- (a) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, it is intended that the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.
- (b) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.
- (c) Subject to compliance with the policies of the Exchange, the Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (d) Notwithstanding anything in the Plan or any Award Agreement to the contrary, to the extent that any amount or benefit that constitutes "deferred compensation" to a Participant under Section 409A and applicable guidance thereunder is otherwise payable or distributable to a Participant under the Plan or any Award Agreement solely by reason of the occurrence of a change in control or due to the Participant's Disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless the Plan Administrator determines in good faith that (i) the circumstances giving rise to such change in control event, disability or separation from service meet the definition of a change in control event, disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable proposed or final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise. In order to comply with both Canadian and U.S. tax rules, RSUs and PSUs will be structured so that the designated settlement/payment date (the "Scheduled Payment Date") for such Award will in all cases be no later than the final Business Day of the third calendar year following the year in which the Award is granted, and settlement will in fact occur by such final Business Day. Further, to the extent that any RSU or PSU is deferred compensation under Section 409A of the Code, then as to any Participant: (i) who is a U.S. Taxpayer, (ii) who

is a “specified employee” within the meaning of Section 409A of the Code at the time of his separation from service, and (iii) whose RSU or PSU would by its terms be settled/paid earlier than the Scheduled Payment Date as a result of his or her Separation from Service, then settlement will occur on the earlier of the date that is six months and one day following the date of Separation from Service and the Scheduled Payment Date as permitted under Section 409A of the Code. With respect to DSUs of a U.S. Taxpayer, where settlement is to occur upon such Participant’s Separation from Service, if such Participant is a “specified employee” at the time of his or her separation from service, then settlement will occur on the date that is six months and one day following the date of Separation from Service, or, if earlier, as soon as practical following the date of the Participant’s death.

12.9 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

ARTICLE 13

AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

13.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that:

- (a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements;
- (b) any amendment that would cause an Award held by a U.S. Taxpayer be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) of the Code shall be null and void *ab initio* with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained; and
- (c) any amendments to the Plan or to any Awards granted pursuant to the Plan are subject to Exchange approval (including such amendments that do not otherwise trigger approval of the holders of voting shares of the Corporation).

13.2 Shareholder Approval

Notwithstanding Section 13.1 and subject to any rules of the Exchange, approval of the holders of the Shares (including by way of Disinterested Shareholder Approval where required by the Exchange) shall be required for any amendment, modification or change that:

- (a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the limitations set out in Subsection 3.7(a) or 3.7(b), as applicable;

- (c) allows for the grant to Insiders (as a group), within a 12 month period, an aggregate number of Awards exceeding 10% of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;
- (d) allows for the grant to any one Participant, within a 12 month period, an aggregate number of Awards exceeding 5% of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;
- (e) reduces the exercise price of an Award to an Insider (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award);
- (f) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant);
- (g) increases or removes the limits on the participation of Directors;
- (h) permits Awards to be transferred to a Person;
- (i) changes the eligible participants of the Plan; or
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

13.3 Permitted Amendments

Without limiting the generality of Section 13.1, but subject to Section 13.2 and any rules of the Exchange, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to the provisions set out in Article 10;
- (c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or
- (e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan

Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 14 **MISCELLANEOUS**

14.1 Legal Requirement

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

14.2 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

14.3 Press Release

Every Award granted or issued to a Director, an Officer of the Corporation or an Investor Relations Service Provider, and any amendment to such Award, must be disclosed to the public by way of a news release the day the Award is granted, issue or amended.

14.4 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as a Director, Officer, Employee, Management Company Employee or Consultant. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

14.5 Corporate Action

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

14.6 Conflict

Subject to the policies of the Exchange, in the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Plan shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the Plan shall prevail.

14.7 Anti-Hedging Policy

By accepting the Option or Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options or Awards.

14.8 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan (including as to whether the circumstances

described in Section 10.1(e) or 12.3 exist). Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

14.9 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

14.10 No Representations or Warranties

The Corporation makes no representation or warranty as to the value of any Award granted or issued under this Plan or as to the future value of any Shares issued pursuant to any Award.

14.11 International Participants

Subject to compliance with the policies of the Exchange, with respect to Participants who reside or work outside Canada, the Plan Administrator may, in its discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

14.12 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its subsidiaries.

14.13 General Restrictions on Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

14.14 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.

14.15 Notices

All written notices to be given by a Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Deep-South Resources Inc.
#888 - 700 West Georgia St.
Vancouver, BC
V7Y 1G5

Attention: Chief Financial Officer

All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth business day following the date of mailing; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

14.16 Effective Date

This Plan becomes effective on a date to be determined by the Plan Administrator, subject to the approval of the shareholders of the Corporation.

14.17 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the internal laws of the Province of British Columbia and the federal laws of Canada applicable therein, without reference to conflicts of law rules.

14.18 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

SCHEDULE A

**DEEP-SOUTH RESOURCES INC.
EQUITY INCENTIVE PLAN (THE "PLAN")**

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 5 of the Plan and to receive ____% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

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

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

Date: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE B

**DEEP-SOUTH RESOURCES INC.
EQUITY INCENTIVE PLAN (THE "PLAN")**

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

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 5 of the Plan.

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

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

Date: _____

(Name of Participant)

(Signature of Participant)

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

SCHEDULE C

**DEEP-SOUTH RESOURCES INC.
EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS
(U.S. TAXPAYERS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

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

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

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

Date: _____

(Name of Participant)

(Signature of Participant)

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