



MANAGEMENT INFORMATION CIRCULAR

AND

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

SCORPIO GOLD CORPORATION

TO BE HELD ON June 27, 2024

Dated: May 23, 2024

**ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on June 27, 2024**

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "Meeting") of the shareholders of Scorpio Gold Corporation (the "Company") will be held at Suite 750, 1095 West Pender Street, Vancouver, British Columbia V6E 2M6 on June 27, 2024, at the hour of 1:00 p.m. (PST) for the following purposes:

Purpose of Meeting:

1. to receive and consider the comparative financial statements of the Company for the financial year ended December 31, 2023, together with the report of the auditor thereon; as more particularly described in the Information Circular under the heading "Financial Statements";
2. to set the number of directors at five (5); as more particularly described in the Information Circular under the heading "Setting Number of Directors";
3. to elect directors for the ensuing year; as more particularly described in the Information Circular under the heading "Election of Directors";
4. to appoint Davidson & Company LLP as auditor of the Company for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor as more particularly described in the Information Circular under the heading "Appointment and Remuneration of Auditor";
5. to consider and, if thought fit, to pass with or without variation, an ordinary resolution approving the Company's proposed equity incentive plan as more particularly described in the accompanying management information circular (the "Information Circular");
6. to consider and, if thought fit, to pass, with or without variation, a special resolution approving the adoption of the Company's proposed new articles; and
7. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the management information circular of the Company dated May 23, 2024 (the "**Information Circular**"). The proxy materials are also posted on the Company's website at www.scorpiogold.com and on www.sedarplus.ca.

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed proxy. A proxy will not be valid unless it is deposited by mail to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, ON M5J 2Y1 or by internet (www.investorvote.com) or telephone voting (1-866-732-VOTE within North America) not less than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or an adjournment thereof.

If you are a non-registered Shareholder of the Company and received this Notice and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (each, an "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

By Order of the Board of Directors

/s/ "Zayn Kalyan"
Director & CEO

MANAGEMENT INFORMATION CIRCULAR
as at May 23, 2024

MANAGEMENT SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of **Scorpio Gold Corporation** (the “**Company**”) for use at the Annual General and Special Meeting of the shareholders of the Company (the “**Meeting**”) to be held at Suite 750, 1095 West Pender Street, Vancouver, British Columbia V6E 2M6 on Thursday, June 27, 2024 at 1:00 p.m. PST and at any adjournments thereof for the purposes set forth in the enclosed Notice of Annual General and Special Meeting (the “**Notice**”).

If you are a Non-Registered Shareholder and have received this Notice of Meeting and accompanying materials through an Intermediary, please complete and return the voting instructions form (“Voting Instruction Form”) provided to you in accordance with the instructions provided therein.

Registered holders may opt to receive important shareholder information electronically, including Annual General and Special Meeting materials, by visiting www.investorcentre.com and follow these steps:

- **Click on “sign up for e-Delivery”**
- **Select the Company from the drop-down list**
- **Enter your Holder Account Number (found on your proxy form) and postal code (or last name if you reside outside of Canada)**
- **Click Submit**

Non-registered holders should contact their intermediary to set up e-delivery.

INTRODUCTION
GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principal’s authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers who are NOBOs (as defined below), and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy (the “**Proxy**”) are officers of the Corporation. **A registered shareholder has the right to appoint a person (who need not be a shareholder) other than the persons named as the proxy of the shareholder and may exercise this right either by inserting that person’s name in the blank space provided in the Proxy and striking out the other names or by completing another proper form of proxy.** To be effective, Proxies must be deposited at the office of the Corporation’s registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment thereof.

Proxies given by registered shareholders for use at the Meeting may be revoked at any time before their use. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by depositing an instrument in writing signed by the registered shareholder, or by the registered shareholder’s attorney duly authorized in writing,

at the registered office of the Corporation, #750 – 1095 West Pender Street, Vancouver, British Columbia V6C 2M6 on or before the last business day preceding the day of the Meeting, or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting, or any adjournment thereof.

Registered Shareholders electing to submit a Proxy may do so by:

- i. **Internet:** Vote online at www.investorvote.com using the Proxy Control Number found in the enclosed Proxy;
- ii. **Mail:** Completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare, by mail or hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada; or
- iii. **Telephone:** Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the Proxy Control Number.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see "Voting by Non-Registered Shareholders" below for further information on how to vote your Common Shares.

Exercise of Discretion 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:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein,
- (iii) any other matter that properly comes before the Meeting, and
- (iv) exercise of discretion of proxyholder.

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. Management is not currently aware of any other matters that could come before the Meeting.

Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, 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 Intermediary or an agent of that Intermediary. In 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), and in Canada, 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).

Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the Voting Instruction Form received from Broadridge in order to ensure that your Common Shares are voted at the Meeting. The Voting Instruction Form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The Voting Instruction Form sent by Broadridge will name the same persons as the Company's Proxy to represent you at the Meeting. As a Non-Registered Shareholder you may not be recognized directly at the Meeting. In order to appoint a proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the Voting Instruction Form. Alternatively, you may provide other written instructions requesting that you or your desired representative be appointed as your proxyholder for your Intermediary. The completed Voting Instruction Form should be returned in accordance with the instructions on the form.

If you receive a Voting Instruction Form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the Voting Instruction Form must be completed and returned in accordance with its instructions well in advance of the voting deadline in order to have your Common Shares voted at the Meeting.

Voting by Proxy Generally

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by 1:00 p.m. PST on Tuesday, June 25, 2024 so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by e-mail to the Company at diana@greystonecorp.com. Proxies will not be accepted at the Meeting. All Proxies must be submitted to Computershare by 1:00 p.m. PST on Tuesday, June 25, 2024 (the "Proxy Deadline").

Votes received by the Proxy Deadline for each matter set out in the Notice will be tabulated by Computershare and compiled in a Proxy report (the "Proxy Report") completed by the Scrutineer. The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and Shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

Voting and Discretion of Proxies

The common shares (the "**Shares**") of the Corporation represented by the Proxies solicited by management of the Corporation pursuant to this Circular will be voted or withheld from voting in accordance with the directions contained therein. **If no directions are given, the Shares will be voted FOR the fixing of the number of directors at five (5), FOR the election of management's nominees as directors of the Corporation, FOR the appointment of management's nominee as auditors of the Corporation and authorizing the directors to fix their remuneration, FOR the approval of the equity incentive plan and FOR the approval of the Company's new Articles. The Proxy confers discretionary authority on the persons named therein in respect of amendments or variations to the matters referred to in the Notice and in respect of other matters that may properly come before the Meeting, or any adjournment thereof.**

As at the date of this Circular, management knows of no such amendments or variations or other matters that may properly come before the Meeting but, if any such amendments, variations or other matters are properly brought before the Meeting, the persons named in the Proxies will vote thereon in accordance with their best judgment.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2023, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Shares without par value. As at the date of this Circular, 90,327,017 Shares are issued and outstanding. Each Share of the Company carries the right to one vote, and all Shares may be voted at the Meeting.

The record date for the determination of shareholders entitled to receive notice of and vote at the Meeting has been fixed as May 23, 2024. Except as may be otherwise indicated herein and in the Notice, the affirmative vote of a majority of the votes cast at the Meeting is required for approval of each matter set forth in this Circular.

To the knowledge of the directors and senior officers of the Company, except as noted below, no persons or companies beneficially own, or control or direct, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company.

Shareholder	No. of Common Shares	% of outstanding Common Shares
N/A	N/A	N/A

SETTING NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of at least a majority of Shares represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at five (5).

ELECTION OF DIRECTORS

The board of directors ("**Board**") of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders or until their successors are elected or appointed. The management of the Company proposes to nominate the persons listed below (the "**Proposed Nominees**") for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the Proposed Nominees in this Circular.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT, PRIOR TO THE MEETING, ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS.

The following table sets out the names of the Proposed Nominees for election as a director, the province or state and country in which ordinarily resident, the period or periods during which each has served as a director, positions held in the Company, their present principal occupations and number of shares of the Company or shares of any of its subsidiaries beneficially owned by each, or controlled or directed, directly or indirectly as at the date hereof.

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Shares Beneficially Owned ³
Zayn Kalyan CEO & Director British Columbia, Canada	CEO and director of the Company since Feb 23, 2024;. Director & CEO of Nexco Resources Inc. since May 2018.	Feb. 23/24	300,000

Name, Positions with the Company, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period from Which Nominee Has Been Director	Number of Shares Beneficially Owned ³
Chris Zerga ¹ Chief Operating Officer and Director <i>Nevada, U.S.A.</i>	President and Chief Executive Officer of the Company from December 20, 2021 to February 23, 2024, Chief Operating Officer of the Company from February 23, 2024 to present.	October 2, 2020	Nil
Ian Dawson ¹ Director <i>British Columbia, Canada</i>	President of Dawson Group Limited since 1995. The Dawson Group is primarily involved in Construction (1922), Road Maintenance (1988) and Truck Sales, Service and Leasing (1991).	October 30, 2019	2,630,603
Michael Townsend ^{1,2} Director <i>British Columbia, Canada</i>	Director of the Company since February 23, 2024, Managing Partner of Altus Capital Partners since April 2017.	February 23, 2024	1,688,903
William Sheriff ² Proposed Director <i>British Columbia, Canada</i>	Founder & Executive Chairman of enCore Energy Corp. Director & Co-Founder Group 11 Technologies Ltd. Over 40 years experience in the minerals industry; raised over \$500 million in the public markets; Chairman of Nuclear Fuels Inc. & C2C Metals Corp. Was Co-Founder and Chairman of Energy Metals Corp.	Proposed	200,000

⁽¹⁾ Member of the Audit Committee (the "Audit Committee") of the Company.

⁽²⁾ Member of the Compensation Committee (the "Compensation Committee") of the Company.

⁽³⁾ Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 23, 2024, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as noted below, no proposed director:

- (a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the 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 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; or

- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any 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.

Zayn Kalyan was subject to a Management Cease Trade Order (MCTO) imposed by the British Columbia Securities Commission from December 31, 2021 to March 18, 2022 for failure to file annual financial statements in the time required by Infinity Stone Ventures Corp. (previously Kontakt World Technologies Inc.).

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Circular:

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

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

- each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- the most highly compensated executive officer of the Company or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, 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 details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in two most recently completed financial years ended December 31, 2023:

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Zayn Kalyan ¹ CEO & Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Chris Zerga ² COO & Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Peter Brieger ³ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Ian Dawson ⁴ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Michael Townsend ⁵ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Bruce Dawson ⁶ Former Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

Peter Hawley ⁷ Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
Alnesh Mohan ⁸ , Former CFO	2023	102,493	Nil	Nil	Nil	Nil	102,493
	2022	47,981	Nil	Nil	Nil	Nil	47,981
Golden Oak Corporate Services Ltd. ⁹ Former CFO	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	78,927	Nil	Nil	Nil	Nil	78,927

¹ Zayn Kalyan was appointed CEO and Director February 23, 2024

² Chris Zerga resigned as President and CEO and was appointed COO on February 23, 2024.

³ Peter Briger resigned as a director on May 21, 2024.

⁴ Ian Dawson was appointed a director on October 30, 2019.

⁵ Michael Townsend was appointed a director February 23, 2024

⁶ Bruce Dawson did not stand for re-election as Director at the Company's ASM held December 14, 2022

⁷ Peter Hawley resigned as a director on February 23, 2024.

⁸ Alnesh Mohan provided CFO, financial reporting, accounting support and transaction support services to the Company through Quantum Advisory Partners LLP ("Quantum"), an accounting firm in which Mr. Mohan is an incorporated partner. Quantum was engaged on June 6, 2022 and resigned on May 8, 2024.

⁹ Golden Oak Corporate Services Ltd. who provided consulting services to the Company (Chief Financial Officer and Corporate Secretary). Golden Oak was engaged on June 10, 2019 and resigned on May 31, 2022.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Company or any subsidiary thereof in the financial year ended December 31, 2023 for services provided, to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and % 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
Zayn Kalyan ² CEO & Director	Nli	Nli	Nli	Nli	Nli	Nli	Nli
Chris Zerga ³ COO & Director	Nli	Nli	Nli	Nli	Nli	Nli	Nli
Ian Dawson ⁴ Director	Nli	Nli	Nli	Nli	Nli	Nli	Nli
Michael Townsend ⁵ Director	Nli	Nli	Nli	Nli	Nli	Nli	Nli
Peter Brieger ⁶ Prior Director	Nli	Nli	Nli	Nli	Nli	Nli	Nli
Alnesh Mohan ⁷ CFO	Nli	Nli	Nli	Nli	Nli	Nli	Nli

¹ Each stock option entitles the holder to one Share upon exercise or release.

² Zayn Kalyan held no stock options as at December 31, 2023.

³ Chris Zerga held a total of 177,776 stock options as at December 31, 2023.

⁴ Ian Dawson held a total of 306,664 stock options, as at December 31, 2023.

⁵ Michael Townsend held no stock options as at December 31, 2023.

⁶ Peter Brieger held a total of 175,554 stock options as at December 31, 2023.

⁷ Alnesh Mohan held a total of 16,666 stock options, as at December 31, 2023.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price & closing price on date of exercise (\$)	Total value on exercise date (\$)
N/A	N/A	Nil					

Employment, Consulting and Management Agreements

Other than as described below, the Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

The Company has the following arrangements in respect of remuneration received or that may be received by the NEOs in the Company's most recently completed fiscal year ended December 31, 2023 in respect of compensating such officers in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

Alnesh Mohan, CFO Quantum Advisory Partners LLP

Through Quantum Advisory Partners LLP, Alnesh Mohan provided CFO services to the Company, beginning June 6, 2022 and terminating on May 8, 2024. Fees were \$6,000 per month. A standard change of control clause was included.

Oversight and Description of Director and Named Executive Officer Compensation

The Company's executive compensation program is administered by the Compensation Committee comprised of three directors of the Board, the majority of whom are independent. The Compensation Committee has, as part of its mandate, the responsibility for reviewing recommendations from management for subsequent approval by the Board with respect to the appointment and remuneration of executive officers of the Company. The Compensation Committee also monitors the performance of the Company's executive officers and reviews the design and competitiveness of the Company's executive compensation plans.

Composition of Compensation Committee

The Compensation Committee consists of Michael Townsend and William Sheriff, both of whom are considered independent. The Board of Directors is of the view that the members of the Compensation Committee collectively have the knowledge, skills, experience and background to make decisions on the suitability of the Company's compensation policies and practices.

Director Compensation Program

Compensation of directors of the Company is reviewed annually and determined by the Board of Directors. 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. At this time the directors do not receive cash compensation but are eligible to receive equity grants.

Compensation of Named Executive Officers

The Company's compensation philosophy for Named Executive Officers follows three underlying principles:

- (a) to provide compensation packages that encourage and motivate performance;
- (b) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
- (c) to align the interests of its executive officers with the long-term interests of the Company and its shareholders through stock related programs.

When determining compensation policies and individual compensation levels for the Company's executive officers, the Company takes into consideration a variety of factors including management's understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities; each executive officer's individual performance during the fiscal year; each executive officer's experience, skills and level of responsibility; the executive's historical compensation and performance within the Company; and existing market standards within the mining industry. Management presents its recommendations to the Board of Directors.

Elements of NEO Compensation

Compensation Mix

In keeping with the Company's philosophy to link executive compensation to corporate performance and to motivate executives to achieve exceptional levels of performance, the Company has adopted a model that includes both base salary and "at-risk" compensation comprised of participation in the Company's Long-Term Incentive Plan (stock options, RSUs and PSUs), as described below.

Base Salary

Mr. Zerga did not receive compensation in 2023.

Directors are also eligible to receive a rate for consulting services when requested by the Company to provide services not normally considered to be within the scope of Directors' duties. The Board considers that this is appropriate for the Company's current stage of development. Base salaries are reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling his or her role and to ensure executive retention.

Long Term Incentive Plan (Stock Options, RSUs and PSUs)

Long term incentives are performance-based grants of stock options, RSUs and PSUs. The awards are intended to align executive interests with those of shareholders by tying compensation to share performance and to assist in retention through vesting provisions. Grants of stock options, RSUs and PSUs are based on:

- (a) the executive's performance;
- (b) the executive's level of responsibility within the Company;
- (c) the number and exercise price of options previously issued to the executive; and
- (d) the overall aggregate total compensation package provided to the executive.

The value of any long-term stock options allocated is determined using the Black-Scholes model.

The value of any RSUs and PSUs granted is the market price of the Company's shares.

Management makes recommendations to the Compensation Committee and the Board concerning the Company's Long-Term Incentive Plan based on the above criteria. Options and RSUs are typically granted on an annual basis in connection with the review of executives' compensation packages. Options and RSUs may also be granted to executives upon hire or promotion and as special recognition for extraordinary performance.

The Company's Board of Directors considers previous grants of options, RSUs and PSUs and the overall number of options, RSUs and PSUs that are outstanding relative to the number of outstanding Shares in determining whether to make any new grants of options, RSUs and PSUs and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the director, officer, employee, or consultant in determining the level of incentive compensation.

Benefits and Perquisites

The Company's NEOs do not receive any benefits or perquisites. For additional details, see "Description of the Long-Term Incentive Plan" below.

Material Terms of NEO Agreements

Mr. Chris Zerga did not have an agreement nor receive compensation in 2023.

Through Quantum Advisory Partners LLP, Alnesh Mohan provided CFO services to the Company, beginning June 6, 2022 and terminating on May 8, 2024. Fees were \$6,000 per month. A standard change of control clause was included.

Termination and Change of Control Benefits

There was a basic change of control clause in the Quantum Advisory Partners LLP agreement, but that agreement has since ceased, and no other agreements exist with change of control clauses.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to the Company's current Plan, being the Company's only equity compensation plan in effect:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,100,003 (options) 3,240,000 (warrants)	\$0.70 \$0.20	1,563,738 options
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	4,340,003		1,563,788

STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, ("**NI 58-101**") of the Canadian Securities Administrators requires each reporting issuer to disclose its corporate governance practices on an annual basis.

Set out below is a description of the Company's approach to corporate governance.

Board of Directors

NI 58-101 defines "independence" with reference to the definition of independence contained in National Instrument 52-110-Audit Committees ("**NI 52-110**"). A director is independent if he has no direct or indirect material relationship to 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 the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

As of May 23, 2024, the Board consisted of five (5) directors: Zayn Kalyan, Chris Zerga, Ian Dawson, Michael Townsend and William Sheriff. The following members are not independent: Zayn Kalyan and Chris Zerga.

Other Directorships

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer	Exchange
Zayn Kalyan	Nexco Resources Inc.	CSE
Chris Zerga	NSJ Gold Corp., Sable Gold & Silver	CSE TSX-V
William Sheriff	enCore Energy Corp Nuclear Fuels C2C Metals	TSXV/NASDAQ CSE CSE

Orientation and Continuing Education

The Company does not provide a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with the Company, the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

Ethical Business Conduct

The Board has adopted a formal written Code of Business Conduct. The Code of Business Conduct allows the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained.

Nomination of Directors

The Board selects new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and senior executives. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

Other Board Committees

The Company has an Audit Committee (please refer to the “Audit Committee” section) and a Compensation Committee.

Assessments

The Board relies on experts such as financial advisors and external legal counsel and forms special committees on an ad hoc basis as necessary. Based on the Company’s size, its stage of development and the limited number of individuals on the Board, the Board considers an external formal assessment process to be inappropriate at this time. The entire Board is responsible for selecting new directors and assessing current directors. A proposed director’s credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director’s nomination and in camera sessions are available at every Board meeting.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company’s financial statements and the independence and performance of the Company’s external auditor, acting as a liaison between the Board and the Company’s external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

The Audit Committee’s Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee’s mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached as Schedule “A” to this Circular.

Composition of the Audit Committee

The following are members of the Audit Committee as at May 23, 2024:

	Independ- dent ⁽¹⁾	Finan- cially Literate ⁽²⁾	Relevant Education and Experience
William Sheriff	Y	Y	Founder and Executive Chairman of enCore Energy Corp., has advanced the company from inception to a uranium producer with a multi-jurisdictional United States asset base. Mr. Sheriff is an entrepreneur and visionary with over 40 years of experience in the minerals industry; has raised over \$500 MM in the public markets and has extensive experience with mergers and acquisitions
Chris Zerga	N	Y	>35 years of mining experience throughout the USA., with a focus in Nevada. He has held several senior level executive positions, including General Manager & President of the Company until June 2020 and since August 2020 a director and General Manager of NSJ Gold Corp, active in Nevada and listed on the Canadian Securities Exchange and in the past with multiple major and junior mining companies
Ian Dawson	Y	Y	BA, MBA, President Dawson Group Limited. The Dawson Group is primarily involved in Construction (1922), Road Maintenance (1988) and Truck Sales, Service and Leasing (1991).

(1) A member of the Audit Committee 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, reasonably interfere with the exercise of a member’s independent judgment. An executive officer of the Company, such as the CEO, is deemed to have a material relationship with the Company.

- (2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Each audit committee member has gained financial literacy through their years of experience serving as directors of several mining and mineral exploration companies as financial industry executives and serving on numerous other audit committees. In these positions, each member would be responsible for receiving financial information relating to their company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Company and its operating results. Each member has significant understanding of the mineral exploration business which the Company engages in and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "External Auditors Service Fees (By Category)".

External Auditor Service Fees (By Category)

The table below sets out all fees billed by the Company's external auditor in each of the last two fiscal years. In the table "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's financial statements for the fiscal year. "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax Fees" are fees billed by the Company's external auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the external auditor for products and services not included in the foregoing categories:

Financial Year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2023	\$76,315	Nil	\$7,500	Nil
December 31, 2022	\$69,850	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at December 31, 2023 there was no indebtedness outstanding with any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Company.

APPOINTMENT AND REMUNERATION OF AUDITOR

Management of the Company proposes to nominate Davidson & Company LLP, Chartered Accountants, of Vancouver, British Columbia as auditors of the Company to hold office until the next Annual General Meeting of Shareholders, at a remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Equity Incentive Plan

The Company's previous equity incentive plan, adopted by the Board of Directors on November 11, 2022 (the "**Prior Plan**") was most recently approved by Shareholders at the Company's annual general and special meeting held on December 14, 2022. On May 22, 2024, the Board of Directors approved amendments to the Prior Plan to make it a "rolling up to 10% and fixed up to 10%" plan, as defined in TSX Venture Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**") (the Prior Plan, as amended, the "**Current Plan**").

The Current Plan is a means by which to grant stock options ("**Options**"), as well as restricted share units ("**RSUs**"), performance share units ("**PSUs**"), and together with the Options, (the "**Awards**") to directors, officers, senior executives and other employees of the Company or a subsidiary, consultants and service providers providing ongoing services to the Company and its affiliates ("**Eligible Participants**", and when such Eligible Participants are granted Awards, the "**Participants**") in order to attract, retain and motivate such persons as individuals whose skills, performance and loyalty to the objectives and interests of the Company are necessary to the Company's success, to incentivize them to continue their services for the Company, and to align their interests with those of the Company.

A complete copy of the Current Plan is set out in Schedule "B" of this Circular, and a summary of the material provisions of the Current Plan are set out below.

Under Policy 4.4, "rolling up to 10% and fixed up to 10%" plans must receive Shareholder approval yearly. Accordingly, the Company is required to seek Shareholder approval of the Current Plan at the Meeting.

Summary of the Current Plan

The following is a summary of the material provisions of the Current Plan. Capitalized terms used and not otherwise defined in this Circular have the meanings set forth in the Current Plan, attached as Schedule "B" to this Circular. The summary below is qualified in its entirety by the full text of the Current Plan.

<i>Adjustments</i>	The Current Plan may be adjusted if certain changes are made to the Company's capitalization (e.g. subdivision, consolidation or reclassification of or a distribution of assets on (other than an ordinary course dividend) the Shares) in order to preclude a dilution or enlargement of the benefits due to Participants under the Current Plan. Any adjustment, other than in connection with a subdivision or a consolidation of the Shares, to an Award granted or issued under the Current Plan will be subject to the prior acceptance of the TSXV.
<i>Administration</i>	The Current Plan is administered and interpreted by the Board of Directors. The Board of Directors may decide by resolution to appoint a committee of at least three members to administer and interpret the Current Plan. The Board of Directors and the committee may also delegate to one or more officers of the Company or to a committee of such officers, the authority, subject to such terms and limitations as the Board of Directors or the committee may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.
<i>Amendments</i>	<p>The Board of Directors may amend the Current Plan or any Award without consent of the Participants provided that the amendment shall:</p> <ul style="list-style-type: none"> • not adversely alter or impair any Award previously granted; • be subject to any regulatory approvals; and • be subject to the approval of the Company's shareholders, where required, provided that the approval of the Company's shareholders is not required for the following amendments and the Board of Directors may make any changes which may include but are not limited to: (i) amendments to fix typographical errors; (ii) amendments to clarify existing provisions of the Current Plan that do not have the effect of altering the scope, nature and intent of such provisions; and (iii) a change or amendment required by the Exchange. <p>The Board needs the approval of the Company's shareholders to make the following amendments:</p> <ul style="list-style-type: none"> • any change to the persons eligible to be granted or issued Awards under the Current Plan; • any change to the maximum number of Shares issuable from treasury under the Current Plan; • any amendment to the participation limits set out in the Current Plan; • any amendment to the method for determining the exercise price of Options; • any amendment to the maximum term of an Award; • any amendment to the expiry and termination provisions applicable to Awards, including the addition of a blackout period; • the addition of a "net exercise" provision; and • any amendment to any method or formula for calculating prices, values or amounts under the Current Plan that may result in a benefit to a Participant. <p>The Board needs the approval of the Company's disinterested shareholders to make the following amendments:</p> <ul style="list-style-type: none"> • any Award grant or issue that would result in any of the participation limits set forth in the Current Plan being exceeded; • any amendment which reduces the exercise price or extends the term of any Award granted to a Person that is an Insider at the time of the proposed amendment; and • any amendment to an Award that results in a benefit to an Insider.
<i>Assignability</i>	Awards granted under the Current Plan are non-transferrable or assignable, other than in the event of death of the holder.
<i>Black-out Period</i>	If the expiration date of an Option falls within a black-out period or within the 10 business days following the end of the black-out period, then the expiration of the Option is extended to the 10th business day following the end of the black-out period.
<i>Cessation</i>	Cessation for any reason other than cause or death or disability — Forfeiture of all unvested Awards. All vested Awards as of the termination date shall: (i) in the case of an RSU or PSU, be settled in accordance with the terms of the Current Plan; and (ii) in the case of an Option, be exercised in accordance with the terms of the Current Plan, at any time during the period that terminates on the earlier of: (A) the Option's expiry date, and (B) the 90th day after

	<p>the termination date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period.</p> <p>Termination for cause — Forfeiture of all vested and unvested Awards.</p> <p>Death or disability of a Participant — Acceleration of vesting of all unvested Awards and (i) in the case of an RSU or PSU, be settled in accordance with the terms of the Current Plan; and (ii) in the case of an Option, be exercised in accordance with the terms of the Current Plan, at any time during the period that terminates on the earlier of: (A) the Option's expiry date, and (B) the first anniversary of the date of the death or disability of the Participant. Any Option that remain unexercised shall be immediately forfeited upon the termination of such period.</p>
<i>Change of Control</i>	<p>In the event of a "Change in Control", a reorganization of the Company, an amalgamation of the Company, an arrangement involving the Company, a take-over bid (as that term is defined in the <i>Securities Act</i> (British Columbia)) for all of the Shares or the sale or disposition of all or substantially all of the property and assets of the Company, the Board of Directors may make such provision for the protection of the rights of the Participants as the Board of Directors in its discretion considers appropriate in the circumstances.</p> <p>"Change in Control" means an event whereby (i) any person becomes the beneficial owner, directly or indirectly, of 50% or more of either the issued and outstanding Shares or the combined voting power of the Company's then outstanding voting securities entitled to vote generally; (ii) any person acquires, directly or indirectly, securities of the Company to which is attached the right to elect the majority of the directors of the Company; or (iii) the Company undergoes a liquidation or dissolution or sells all or substantially all of its assets.</p>
<i>Shares Subject to the Current Plan</i>	<p>Options - The total number of Shares reserved and available for grant and issuance pursuant to Options shall not exceed a number of Shares equal to 10% of the total issued and outstanding Shares of the Company at the time of granting of Awards (on a non-diluted basis).</p> <p>RSUs & PSUs - The total number of Shares reserved and available for grant and issuance pursuant to RSUs shall not exceed 9,000,000 Shares (being 10% of the total issued and outstanding Shares of the Company at the effective date of the Plan).</p>
<i>Eligibility</i>	The persons eligible to receive Awards are the Eligible Participants.
<i>Exchange Limits</i>	<ul style="list-style-type: none"> • The maximum number of Shares for which Awards may be issued to any one Participant under the Current Plan, together with any other security-based compensation arrangement of the Company, in any 12-month period shall not exceed 5% of the issued Shares, calculated on the date an Award is granted to the Participant. • The maximum number of Shares for which Awards may be issued to any one consultant in a 12-month period (in the aggregate) shall not exceed 2% of the issued Shares, calculated on the date an Award is granted to the Consultant. • The aggregate number of Options to all persons retained to provide investor relations activities must not exceed 2% of the issued Shares in any 12 month period calculated at the first such grant date (and including any Eligible Participant that performs investor relations activities and/or whose role or duties primarily consist of investor relations activities). No RSUs may be granted under the Current Plan to persons retained to provide investor relations activities. • The aggregate number of Shares (i) issued to insiders under the Current Plan together with any other security-based compensation arrangement of the Company, within any one year period and (ii) issuable to insiders at any time under the Current Plan together with any other security-based compensation arrangement, shall in each case not exceed 10% of the issued and outstanding Shares. • Options granted to any Person retained to provide investor relations activities must vest in a period of not less than 12 months from the date of grant of the Options and with no more than 25% of the Options vesting in any three month period.
<i>Exercise Price</i>	<p>Options — The option price for the Shares that are the subject of any Option shall be determined by the Board of Directors at the time the Option is granted, but may not be less than the "discounted market price" (as defined in the Policies of the Exchange) of the Shares at the time of grant.</p> <p>RSUs & PSUs — The purchase price of an RSU or PSU is determined by the Board and may be zero.</p>

<i>Term</i>	<p>Options — The Board of Directors shall determine the period in which an Option is exercisable. An Option cannot expire later than 10 years from the date it is granted.</p> <p>RSUs & PSUs — The Board of Directors shall determine the Restricted Period, provided such Restricted Period cannot expire later than December 31 of the year that is three years after the calendar year in which the grant of RSUs or PSUs was made. In the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU or PSU are satisfied, all vested RSUs and PSUs may be settled at any time beginning on the first Business Day following their RSU or PSU Vesting Determination Date but no later than the date that is five (5) years from their RSU or PSU Vesting Determination Date</p>
<i>Vesting</i>	<p>Options — The Board of Directors shall, from time to time by resolution, determine the vesting provisions of the Options.</p> <p>RSUs & PSUs — The relevant conditions and vesting provisions of a RSU are determined by the Board of Directors (including the performance period and criteria, if any). In making its determination regarding the vesting requirements applicable to any RSUs or PSUs, the Board of Directors shall ensure that such requirements are not considered a "salary deferral arrangement" for purposes of applicable legislation. The Board of Directors also sets a date upon which it is determined whether the vesting conditions with respect to RSUs or PSUs have been met (the "RSU or PSU Vesting Determination Date"). This then establishes the number of RSUs or PSUs that become vested. The RSU or PSU Vesting Determination Date cannot fall outside the period (the "Restricted Period") that ends on December 31 of the year that is three years after the calendar year in which the grant of RSUs or PSUs was made. Any RSU or PSU that remains unvested on the RSU or PSU Vesting Determination or at the end of the Restricted Period, whichever is earlier, is cancelled.</p> <p>No RSU or PSU issued pursuant to the Current Plan may vest before the date that is one year following the date of grant.</p>

Unless otherwise directed, the directors or officers named in the Proxy intend to vote FOR ratifying and approving the Current Plan.

Accordingly, the shareholders of the Company will be asked to consider and, if deemed appropriate, to pass with or without variation, an ordinary resolution, subject to such amendments, variations or additions as may be approved at the Meeting, to ratify and approve the Current Plan attached to this Circular as Schedule "B". The text of the resolution is:

"BE IT RESOLVED as an ordinary resolution that:

1. the equity incentive plan of Scorpio Gold Corporation (the "**Company**"), substantially in the form as attached as Schedule "A" to the management information circular of the Company dated May 23, 2024, (the "**Current Plan**") with such other conforming changes as the board of directors of the Company considers necessary or appropriate, is hereby ratified, confirmed and approved;
2. the reservation for issuance from treasury pursuant to options under the Current Plan and under any other security based compensation arrangements adopted by the Company of up to 10% of the issued and outstanding common shares of the Company from time to time is hereby ratified, confirmed and approved;
3. the reservation of up to 9,000,000 common shares of the Company for issuance from treasury pursuant to restricted share units under the Current Plan is hereby ratified, confirmed and approved;
4. the form of the Current Plan may be amended in order to satisfy the requirements or requests of any regulatory authority or stock exchange without requiring further approval of the shareholders;
5. the shareholders of the Company hereby expressly authorize the board of directors of the Company, in its discretion, to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
6. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

In order to be passed, the above ordinary resolution must be approved by a majority of the aggregate votes cast by the holders of Shares at the Meeting. **Management recommends that the Company's shareholders vote "FOR" the above resolution.**

Shareholder approval of the Equity Plan is required by the terms of the Equity Plan and the rules of the Exchange.

Adoption of New Articles

The Company is seeking Shareholder approval to replace its articles (the "**Current Articles**") with a new form of articles (the "**New Articles**"), attached hereto as Schedule "C".

The main difference between the Current Articles and the New Articles is that the New Articles provide for an advance notice provision (the "**Advance Notice Provision**"). The Advance Notice Provision provides Shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

The Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution approving and adopting the New Articles (the "**Adoption of New Articles Resolution**"). To be effective, the Adoption of New Articles Resolution must be approved by the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting.

Shareholders are urged to vote in favour of this special resolution. The text of the Adoption of New Articles Resolution is as follows:

"BE IT RESOLVED as a special resolution of the Shareholders that:

1. the Current Articles of the Company are cancelled in their entirety and the New Articles, as more particularly described in the management information circular of the Company dated May 23, 2024, be adopted as the Articles of the Company in substitution for, and to the exclusion of, the Current Articles of the Company;
2. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this special resolution; and
3. the directors of the Corporation are hereby authorized and granted with absolute discretion to determine whether or not to proceed with the foregoing resolution, without further approval, ratification or confirmation by the Shareholders."

Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies IN FAVOUR of the Adoption of New Articles Resolution. The Board unanimously recommends that Shareholders vote "FOR" the Adoption of New Articles Resolution.

If the Adoption of New Articles Resolution is approved by Shareholders, the adoption of the New Articles will become effective at the date and time that the Board elects (the "**Effective Time**"). As at the Effective Time, the New Articles will apply to govern the management and affairs of the Company.

Notwithstanding the approval of the Adoption of New Articles Resolution by Shareholders, the Board will have the authority, in its sole discretion, to implement or revoke the Adoption of New Articles Resolution and otherwise implement or abandon the New Articles without further approval from the Shareholders. If the Adoption of New Articles Resolution is abandoned, the Current Articles will continue to govern the management and affairs of the Company.

ADDITIONAL INFORMATION

Additional information concerning the Company can be found on SEDAR+ at www.sedarplus.ca and on the Company's website at www.scorpiogold.com.

Financial information relating to the Company is provided in the Company's audited financial statements and the management discussion and analysis ("MD&A") for the year ended December 31, 2023. Shareholders may download the financial statements and MD&A from SEDAR+ (www.sedarplus.ca) or contact the Company directly to request copies of the financial statements and MD&A by: mail to #750 – 1095 West Pender Street, Vancouver,

BC V6E 2M6; or e-mail to diana@greystonecorp.com. Additional financial information concerning the Company may be obtained by any shareholder free of charge through the Company's website at www.scorpiogold.com or by contacting Diana Mark at 778-908-2730.

DATED at Vancouver, British Columbia this 23rd day of May, 2024.

BY ORDER OF THE BOARD

/s/ "Zayn Kalyan"

Chief Executive Officer & Director

Schedule "A"
to the Information Circular of Scorpio Gold Corporation

AUDIT COMMITTEE CHARTER

A. Composition and Process

1. The audit committee of the Company (the "Audit Committee") shall be composed of a minimum of three members of the board of directors of the Company (the "Board of Directors"), a majority of whom are independent. An independent director, as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") is a director who has no direct or indirect material relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a members' independent judgment or as otherwise determined to be independent in accordance with NI 52-110.
2. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.
3. The chairperson of the Audit Committee (the "Chairperson") shall be appointed by the Board of Directors for a one-year term and may serve any number of consecutive terms.
4. Members of the Audit Committee must be financially literate which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity comparable to the accounting issues presented in the Company's financial statements.
5. The Chairperson shall, in consultation with management, establish the agenda for the meetings to ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The Audit Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.
6. The Audit Committee shall meet at least four times per year and may call special meetings as required. A quorum at meetings of the Audit Committee shall be its Chairperson and one of its other members or the Chairman of the Board of Directors. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference if this is deemed appropriate.
7. The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies to the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer.
8. The Audit Committee reviews, prior to their presentation to the Board of Directors and their release, all material financial information required by securities legislation and policies.
9. The Audit Committee enquires about potential claims, assessments and other contingent liabilities.
10. The Audit Committee periodically reviews with management, depreciation and amortization policies, loss provisions and other accounting policies for appropriateness and consistency.
11. The Charter of the Audit Committee shall be reviewed by the Board of Directors on an annual basis.

B. Authority

12. The Audit Committee is appointed by the Board of Directors pursuant to provisions of the *Business Corporations Act* (British Columbia) and the bylaws of the Company.
13. Primary responsibility for the Company's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board of Directors. The Audit Committee is a standing committee of the Board of Directors established to assist it in fulfilling its responsibilities in this regard. The Audit Committee shall have responsibility for overseeing management reporting on internal controls. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.
14. In fulfilling its responsibilities, the Audit Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
15. The Audit Committee shall have direct communication channels with the external auditor to discuss and review specific issues, as appropriate.

16. The Audit Committee shall have the authority to engage independent counsel and other advisors as it determined necessary to carry out its duties.
17. The Audit Committee shall establish the compensation to be paid to any advisor employed by the Audit Committee and such compensation shall be paid by the Company as directed by the Audit Committee.

C. Relationship with External Auditor

18. An external auditor must report directly to the Audit Committee
19. The Audit Committee is directly responsible for overseeing the work of the external auditor including the resolution of disagreement between management and the external auditor regarding financial reporting.
20. The Audit Committee shall implement structures and procedures to ensure that it meets with the external auditor on at least an annual basis in the absence of management.

D. Accounting Systems, Internal Controls and Procedures

21. The Audit Committee shall obtain reasonable assurance from discussions with and/or reports from management, and reports from external auditors that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Company and its subsidiaries and affiliates.
22. The Audit Committee shall review to ensure to its satisfaction that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and will periodically assess the adequacy of those procedures.
23. The Audit Committee shall direct the external auditor's examinations to particular areas.
24. The Audit Committee shall review control weaknesses identified by the external auditor, together with management's response.
25. The Audit Committee shall review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.
26. In order to preserve the independence of the external auditor the Audit Committee will:
 - (a) Recommend to the Board of Directors the external auditor to be nominated; and
 - (b) Recommend to the Board of Directors the compensation of the external auditor's engagement.
27. The Audit Committee shall review and pre-approve any engagements for non-audit services to be provided by the external auditor or its affiliates together with estimated fees, and consider the impact on the independence of the external auditor.
28. The Audit Committee shall review with management and with the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimated and judgments of management that may be material to financial reporting.
29. The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employee of the present and most recent former external auditor of the Company.
30. The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
31. The Audit Committee shall on an annual basis, prior to public disclosure of its annual financial statements, ensure that the external auditor has entered into a participation agreement and has not had its participant status terminated, or if its participant status was terminated, has been reinstated in accordance with the Canadian Public Accountability Board ("CPAB") bylaws and is in compliance with any restriction or sanction imposed by CPAB.

E. Statutory and Regulatory Responsibilities

32. The Audit Committee shall review the annual audited financial statements and related management's discussion and analysis ("MD&A"), including any letter to shareholders and related press releases, and

recommend their approval to the Board of Directors, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimated with management and the external auditor.

33. The Audit Committee shall review the quarterly interim financial statements and related MD&A including any letter to shareholders and related press releases and approve them on behalf of the Board of Directors.
34. The Audit Committee shall review any documents containing financial information extracted or derived from the Company's financial statements prior to the public disclosure of the information.

F. Reporting

35. The Audit Committee shall report, through the Chairperson of the Audit Committee, to the Board of Directors following each meeting on the major discussions and decisions made by the Audit Committee.
36. The Audit Committee shall report annually to the Board of Directors on the Audit Committee's responsibilities and how it has discharged them.
37. The Audit Committee shall review the Audit Committee's Charter annually and recommend the approval of any proposed amendments to the Board of Directors.

Schedule "B"
to the Information Circular of Scorpio Gold Corporation

EQUITY INCENTIVE PLAN

SCORPIO GOLD CORPORATION

2024 EQUITY INCENTIVE PLAN

The following is the equity incentive plan of Scorpio Gold Corporation (the "**Corporation**") pursuant to which stock-based compensation awards may be granted to Eligible Participants (as defined below). The name of the plan is the 2024 Equity Incentive Plan (the "**Plan**").

The Plan permits the grant of Options, Restricted Share Units, and Performance Share Units (as such terms are defined below). The Plan was approved by the Board of Directors of the Corporation (the "**Board**") on May 20, 2024 and will be effective as of the date the Plan is approved by shareholders of the Corporation (the "**Effective Date**") until the earlier of (i) the date it is terminated by the Board in accordance with the Plan, and (ii) 10 years after the Effective Date.

The Plan shall serve as the successor to the Corporation's 2022 stock option plan (the "**Prior Plan**"), and no further awards shall be made under the Prior Plan from and after the Effective Date of the Plan, and the awards granted under the Prior Plan shall remain subject to the terms of the Prior Plan.

ARTICLE 1 DEFINITIONS

1.1 Definitions

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

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

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

"Awards" means an Option, a RSU, or a PSU granted to a Participant pursuant to the terms of the Plan;

"Black-Out Period" means a period of time when pursuant to any policies of the Corporation or applicable law, any securities of the Corporation may not be traded by certain persons designated by the Corporation;

"Board" has the meaning set out in the recitals hereto;

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

"Cash Equivalent" means (i) with respect to PSUs, the amount of money equal to the Market Value multiplied by the number of vested PSUs in the Participant's Account, net of any applicable withholdings made in accordance with Section 8.2, on the applicable PSU Settlement Date, and (ii) with respect to RSUs, the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant's Account, net of any applicable withholdings made in accordance with Section 8.2, on the applicable RSU Settlement Date;

"Cause" means:

- (a) unless the applicable Grant Agreement states otherwise, with respect to any employee or Consultant:
 - (i) if the employee or Consultant is a party to an Employment Agreement or service agreement with the Corporation or its Affiliates and such agreement provides for a definition of Cause, the definition contained therein; or
 - (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employee's or Consultant's employment or service agreement without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the

employee or Consultant to carry out the employee's or Consultant's duties properly or to comply with the Corporation's rules, policies and practices; (B) material breach of any agreement with the Corporation or an Affiliate, or a material violation of the Corporation's or an Affiliate's code of conduct or other written policy; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) material fiduciary breach with respect to the Corporation or an Affiliate; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Affiliates; or (F) gross negligence or willful misconduct with respect to the Corporation or an Affiliate;

- (b) with respect to any director, a determination by a majority of the disinterested Board members that the director has engaged in any of the following:
 - (i) gross misconduct or neglect;
 - (ii) willful conversion of corporate funds;
 - (iii) false or fraudulent misrepresentation inducing the director's appointment; or
 - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance; and
- (c) the Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause;

"Change in Control" means an event whereby (i) any Person becomes the beneficial owner, directly or indirectly, of 50% or more of either the issued and outstanding Shares or the combined voting power of the Corporation's then outstanding voting securities entitled to vote generally; (ii) any Person acquires, directly or indirectly, securities of the Corporation to which is attached the right to elect the majority of the directors of the Corporation; or (iii) the Corporation undergoes a liquidation or dissolution or sells all or substantially all of its assets;

"Committee" has the meaning ascribed thereto in Section 2.2(a) hereof;

"Consultant" has the meaning set out in Policy 4.4 of the TSXV;

"Corporation" means Scorpio Gold Corporation, a corporation existing under the *Business Corporations Act* (British Columbia), and its successors from time to time;

"Disabled" or **"Disability"** means the permanent and total incapacity of a Participant as determined in accordance with procedures established by the Board for the purposes of this Plan;

"Discounted Market Price" has the meaning set out in Policy 1.1 of the TSXV, subject to certain adjustments in accordance with Policy 4.4 of the TSXV;

"Eligible Participants" has the meaning ascribed thereto in Section 2.3(1) hereof;

"Employment Agreement" means, with respect to any Participant, any written employment agreement between the Corporation or an Affiliate and such Participant;

"Exercise Notice" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

"Grant Agreement" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a RSU Agreement, a PSU Agreement or an Employment Agreement;

"Insider" has the meaning attributed thereto in the rules and policies of the TSXV as amended from time to time;

"Investor Relations Activities" has the meaning attributed thereto in the rules and policies of the TSXV as amended from time to time;

“Market Value” when used in relation to a transaction, means the Market Price (as defined in TSXV Policy 1.1) applicable to the transaction multiplied by the number of Listed Shares to be issued;

“Option” means an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number and class of Shares from treasury at the Option Price, subject to the provisions of this Plan;

“Option Agreement” means a written letter agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof;

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

“Option Term” has the meaning ascribed thereto in Section 3.4(a) hereof;

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

“Participant’s Account” means an account maintained for each Participant’s participation in RSUs and/or PSUs under the Plan;

“Performance Criteria” means criteria established by the Board which, without limitation, may include criteria based on the Participant’s personal performance and/or the financial performance of the Corporation and/or of its Subsidiaries, and that may be used to determine the vesting of the Awards, when applicable;

“Performance Period” means the period determined by the Board pursuant to Section 5.3 hereof;

“Performance Share Unit” or **“PSU”** means a right awarded to a Participant to receive a payment in Shares as provided in ARTICLE 5 hereof and subject to the terms and conditions of this Plan and the applicable PSU Agreement;

“PSU Agreement” means a written letter agreement between the Corporation and a Participant evidencing the grant of PSUs and the terms and conditions thereof;

“PSU Settlement Date” has the meaning determined in Section 5.5;

“PSU Vesting Determination Date” has the meaning ascribed thereto in Section 5.4;

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

“Plan” has the meaning set out in the recitals hereto;

“Prior Plan” has the meaning set out in the recitals hereto;

“Restricted Share Unit” or **“RSU”** means a right awarded by the Corporation to a Participant to receive a payment in the form of Shares or the Cash Equivalent as provided in ARTICLE 4 hereof, subject to the provisions of this Plan and the applicable RSU Agreement;

“RSU Agreement” means a written letter agreement between the Corporation and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

“RSU Settlement Date” has the meaning determined in Section 4.3;

“RSU Vesting Date” means the date on which an RSU vests, as set out in the RSU Agreement;

“Share Based Compensation Arrangement” includes any Deferred Share Unit, Performance Share Unit, Restricted Share Unit, Securities for Services, Stock Appreciation Right, Stock Option, Stock Purchase Plan, any security purchase from treasury by a Participant which is financially assisted by the Issuer by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Issuer from treasury to a Participant, including securities issued under Part 6, and for greater certainty, does not include:

- (a) arrangements which do not involve the issuance from treasury or potential issuance from treasury of securities of the Issuer;
- (b) arrangements under which Security Based Compensation is settled solely in cash and/or securities purchased on the secondary market; and
- (c) Shares for Services and Shares for Debt arrangements under Policy 4.3 – Shares for Debt that have been conditionally accepted by the Exchange prior to November 24, 2021.

“**Share**” means a common share in the capital of the Corporation, or such other security of the Corporation as may be designated by the Board from time to time in substitution thereof;

“**Subsidiary**” means any entity that is a “subsidiary” for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

“**Successor Corporation**” has the meaning ascribed thereto in Section 7.1(e) hereof;

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

“**Termination Date**” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be an employee of the Corporation or an Affiliate and (ii) in the event of the termination of the Participant’s employment by the Corporation or an Affiliate, the effective date of the termination as specified in the notice of termination provided to the Participant by the Corporation or the Affiliate, as the case may be, and “Termination Date” specifically does not mean the date of termination of any period of reasonable notice that the Corporation or an Affiliate of the Corporation (as the case may be) may be required by law to provide to the Participant;

“**Trading Day**” means any day on which the TSXV is opened for trading;

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

“**Unit**” means an RSU or a PSU;

“**Unit Restriction Period**” means the applicable restriction period in respect of a particular PSU or RSU, which period shall end on the Business Day preceding December 31 of the calendar year which is three (3) years after the calendar year in which the PSU or RSU is granted, or such shorter period as may be determined by the Board at the time the PSU or RSU is granted; and

“**Unit Settlement Notice**” means a notice by a Participant to the Corporation electing to settle vested Units.

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

2.1 Purpose of the Plan.

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

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

- (d) to provide a means through which the Corporation or an Affiliate may attract and retain able Persons to enter its employment.

2.2 Implementation and Administration of the Plan.

- (a) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board (the “**Committee**”) and consisting of not less than three (3) members of the Board. If a Committee is appointed for this purpose, all references to the term “Board” will be deemed to be references to the Committee.
- (b) The Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules, regulations and policies for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the TSXV. Subject to the provisions of the Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board shall be final and binding on all Eligible Participants.
- (c) No member of the Board shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.
- (d) Any determination approved by a majority of the Board shall be deemed to be a determination of that matter by the Board.
- (e) Subject to the terms of this Plan and applicable law, the Board may delegate to one or more officers of the Corporation, or to a committee of such officers, the authority, subject to such terms and limitations as the Board may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.

2.3 Eligible Participants.

The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the directors, officers, senior executives and other employees of the Corporation or an Affiliate, and Consultants providing ongoing services to the Corporation or its Affiliates. In determining Awards to be granted under the Plan, the Board shall give due consideration to the value of each Eligible Participant’s present and potential future contribution to the Corporation’s success. The Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide employee or Consultant, as the case may be.

2.4 Shares Subject to the Plan.

- (a) Subject to adjustment pursuant to the provisions of ARTICLE 7 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Options shall not exceed a number of Shares equal to 10% of the total issued and outstanding Shares of the Corporation at the time of granting of Options (on a non-diluted basis).
- (b) Subject to adjustment pursuant to the provisions of ARTICLE 7 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Units shall not exceed **9 million** Shares (being 10% of the total issued and outstanding Shares of the Corporation at the effective date of the Plan). For the avoidance of doubt, the number of Shares reserved and available for grant and issuance pursuant to Units under this Section 2.4(b) is in addition to the number of Shares reserved and available for grant and issuance pursuant to Options under Section 2.4(a).
- (c) Shares in respect of which an Option is granted under the Plan, but not exercised prior to the termination of such Option or not vested or delivered prior to the termination of such Option due to the expiration, termination or lapse of such Option, shall be available for Options to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the

vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares. Notwithstanding anything herein to the contrary, any Shares forfeited, cancelled or otherwise not issued for any reason under the awards of the Prior Plan shall be available for grants under this Plan. Awards that by their terms are to be settled solely in cash shall not be counted against the number of shares of Shares available for the issuance of Awards under the Plan.

2.5 Participation Limits.

Subject to adjustment pursuant to provisions of ARTICLE 7 hereof, at all times when the Corporation is listed on the TSXV:

- (a) the maximum number of Shares for which Awards may be issued to any one Participant under the Plan, together with any other Share Based Compensation Arrangement, including the Prior Plan, in any 12-month period shall not exceed 5% of the issued Shares, calculated on the date an Award is granted to the Participant;
- (b) the maximum number of Shares for which Awards may be issued to any one Consultant under the Plan, together with any other Share Based Compensation Arrangement, including the Prior Plan, in a 12-month period (in the aggregate) shall not exceed 2% of the issued Shares, calculated on the date an Award is granted to the Consultant;
- (c) the aggregate number of Options to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period calculated at the first such grant date (and including any Eligible Participant that performs Investor Relations Activities and/or whose role or duties primarily consist of Investor Relations Activities). For clarity and notwithstanding anything to the contrary contained herein, no awards other than stock options may be granted under this Plan to Persons retained to provide Investor Relations Activities;
- (d) the aggregate number of Shares (i) issued to Insiders under the Plan together with any other Share Based Compensation Arrangement, including the Prior Plan, within any 12-month period and (ii) issuable to Insiders at any time under the Plan together with any other Share Based Compensation Arrangement, including the Prior Plan, shall in each case not exceed 10% of the total issued and outstanding Shares from time to time. Any Awards granted pursuant to the Plan, prior to the Participant becoming an Insider, shall be counted for the purposes of the limits set out in this Section 2.5; and
- (e) Options granted to any Person retained to provide Investor Relations Activities must vest in a period of not less than 12 months from the date of grant of the Options and with no more than 25% of the Options vesting in any three-month period, notwithstanding any other provision of this Plan.

2.6 Granting of Awards.

- (a) Any Award granted under the Plan shall be subject to the requirement that if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, 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, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.
- (b) Any Award granted under the Plan shall be subject to the requirement that the Corporation has the right to place any restriction or legend on any securities issued pursuant to this Plan.

ARTICLE 3 OPTIONS

3.1 Nature of Options.

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, subject to the provisions of this Plan.

3.2 Option Awards.

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

3.3 Option Price.

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

3.4 Option Term.

- (a) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement, but in no event shall an Option expire on a date which is later than 10 years from the date the Option is granted (“**Option Term**”). Unless otherwise determined by the Board, and subject to the prior approval of the TSXV, to the extent required, and a 10-year Option Term limit, all unexercised Options shall be cancelled at the expiry of such Options.
- (b) Should the expiration date for an Option fall within a Black-Out Period, subject to the requirements of the TSXV, such expiration date shall be automatically extended without any further act or formality to that date which is the 10th Business Day after the end of the Black-Out Period, such 10th Business Day to be considered the expiration date for such Option for all purposes under the Plan.

3.5 Exercise of Options.

- (a) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.
- (b) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

3.6 Method of Exercise and Payment of Purchase Price.

- (a) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Corporation at its head office to the attention of the Chief Financial Officer of the Corporation (or the individual that the Chief Financial Officer of the Corporation may from time to time designate) or give notice in such other manner as the Corporation may from time to time

designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, cheque or bank draft of the purchase price for the number of Shares specified therein.

- (b) Upon the exercise of an Option, the Corporation shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:
 - (i) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.

3.7 Option Agreements.

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ARTICLE 3 and ARTICLE 6 hereof be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the corporation.

ARTICLE 4 RESTRICTED SHARE UNITS

4.1 Nature of RSUs

A RSU is an Award entitling the recipient to acquire Shares or the Cash Equivalent, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

4.2 RSU Awards

- (a) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions and the Unit Restriction Period of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (b) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement, the Board shall determine whether RSUs awarded to a Participant shall entitle the Participant: (i) to receive one (1) Share issued from treasury for each RSU awarded; (ii) to receive the Cash Equivalent of one (1) Share for each RSU awarded; or (iii) to receive a combination of Cash Equivalent and Common Shares.
- (c) RSUs shall be settled by the Participant at any time beginning on the first Business Day following the RSU Vesting Date but no later than the last day of the Unit Restriction Period.

4.3 Settlement of RSUs

- (a) Except as otherwise provided in the RSU Agreement, all of the vested RSUs covered by a particular grant made to a Participant may be settled on any day (each such day being a “**RSU Settlement Date**”) on or before the last day of the Unit Restriction Period by delivering a Unit Settlement Notice in respect of any or all vested RSUs held by such Participant.
- (b) settlement of RSUs shall take place promptly following the RSU Settlement Date and, for greater certainty, before the last day of the Unit Restriction Period, through:
 - (i) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (ii) in the case of settlement of RSUs for Shares, delivery of a share certificate to the Participant or the entry of the Participant’s name on the share register for the Shares (or in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant shall then be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Shares); or
 - (iii) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (i) and (ii) above.
- (c) If an Unit Settlement Notice is not received by the Corporation on or before the RSU Settlement Date, the Board shall have the sole and absolute discretion to elect to settle the applicable RSUs for the Cash Equivalent of RSUs, Shares issued from treasury, or any combination thereof.
- (d) Notwithstanding any other provision of this Plan, in the event that an RSU Settlement Date falls during a Black-Out Period or other trading restriction imposed by the Corporation and the Participant has not delivered an Unit Settlement Notice, then such RSU Settlement Date shall be automatically extended to the 10th Business Day following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

4.4 Determination of Amounts

- (a) **Cash Equivalent of RSUs.** For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 4.3, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant’s Account which the Participant desires to settle in cash pursuant to the Unit Settlement Notice.
- (b) **Payment in Shares; Issuance of Shares from Treasury.** For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of RSUs pursuant to Section 4.3, such calculation will be made on the RSU Settlement Date and will be the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant’s Account which the Participant desires to settle pursuant to the Unit Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares. The issuance of Shares is subject to the limits set out in Section 2.5, and a payment in cash may be made to satisfy the obligation if the Corporation does not have sufficient Shares eligible to be issued

4.5 RSU Agreements

RSUs shall be evidenced by a RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ARTICLE 4 and ARTICLE 6 hereof be included therein. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax

or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the corporation.

4.6 Vesting Requirement

Notwithstanding anything to the contrary herein, no RSU issued pursuant to this Plan may vest before the date that is one year following the date of grant.

4.7 Death Benefits and Expiry of Term

- (a) Any entitlement to make a claim on RSUs by the Participant's heirs/administrators must not exceed one year from the Participant's death.
- (b) Upon a participant ceasing to be an eligible Participant, the RSUs may remain in good standing, at the Board's discretion, up to a maximum of twelve (12) months.

ARTICLE 5 PERFORMANCE SHARE UNITS

5.1 Nature of PSUs

A PSU is an Award entitling the recipient to receive payment in Shares or Cash Equivalent once such Award is earned and has vested, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions shall be based upon the achievement of pre-established Performance Criteria over the Performance Period as well as continuing employment or engagement with the Corporation or a Subsidiary.

5.2 PSU Award

- (a) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive PSUs under the Plan, (ii) fix the number of PSUs, if any, to be granted to each Eligible Participant and the date or dates on which such PSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria) and Unit Restriction Period of such PSUs, the whole subject to the terms and conditions prescribed in this Plan and in any PSU Agreement.
- (b) Subject to the vesting and other conditions and provisions set forth herein and in the PSU Agreement, the Board shall determine whether PSUs awarded to a Participant shall entitle the Participant: (i) to receive one (1) Share issued from treasury for each PSU awarded; (ii) to receive the Cash Equivalent of one (1) Share for each PSU awarded; or (iii) to receive a combination of Cash Equivalent and Shares.
- (c) PSUs shall be settled by the Participant at any time beginning on the first Business Day following their PSU Vesting Determination Date but no later than the last day of the Unit Restriction Period. Unless otherwise determined by the Board, all unvested PSUs shall be cancelled on the PSU Vesting Determination Date and, in any event, no later than the last day of the Unit Restriction Period.

5.3 Performance Criteria and Performance Period

- (a) For each award of PSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the PSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the last day of the Unit Restriction Period.
- (b) For each award of PSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period (unless waived or otherwise deemed to be satisfied by the Board in its sole discretion) in order for a Participant to be entitled to receive Shares in exchange for his or her PSUs.

5.4 PSU Vesting Determination Date

The vesting determination date for PSUs (the “**PSU Vesting Determination Date**”) means the date on which the Board determines if the Performance Criteria and all other vesting conditions with respect to a PSU have been met or have been waived or deemed satisfied by the Board in the sole discretion, and as a result, establishes the number of PSUs that become vested, if any. For greater certainty, the PSUs Vesting Determination Date must fall after the end of the Performance Period (except in the case of the Board’s discretionary waiver of Performance Criteria and other vesting conditions), but no later than the last day of the Unit Restriction Period.

5.5 Settlement of PSUs

- (a) Except as otherwise provided in the PSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period of a PSU are satisfied:
 - (i) all of the vested PSUs covered by a particular grant to a Participant may be settled on any day (each such day being a “**PSU Settlement Date**”) beginning on the PSUs Vesting Determination Date and ending on or before the last day of the Unit Restriction Period by delivering a Unit Settlement Notice in respect of any or all vested PSUs held by such Participant; and
 - (ii) any vested PSU for which no Unit Settlement Notice has been delivered prior to the last day of the Unit Restriction Period shall be automatically settled on the last day of the Unit Restriction Period.
- (b) Settlement of PSUs shall take place promptly following the PSU Settlement Date and, for greater certainty, before the last day of the Unit Restriction Period, through:
 - (i) in the case of the settlement of PSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (ii) in the case of the settlement of PSUs for Shares, delivery of a share certificate to the Participant or the entry of the Participant’s name on the share register for the Common Shares (or in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant shall then be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Shares); or
 - (iii) in the case of settlement of the PSUs for a combination of Shares and Cash Equivalent, a combination of Sections 5.5(b)(i) and 5.5(b)(ii) above.
- (c) Notwithstanding any other provision of this Plan, in the event that a PSU Settlement Date falls during a Black-Out Period or other trading restriction imposed by the Corporation and the Participant has not delivered a Unit Settlement Notice, then such PSU Settlement Date shall be automatically extended to the 10th Business Day following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

5.6 Determination of Amounts

- (a) **Cash Equivalent of PSUs.** For purposes of determining the Cash Equivalent of PSUs to be paid pursuant to Section 5.5 (if any), such calculation will be made on the PSU Settlement Date and shall be equal to the Market Value of one Share on the PSU Settlement Date multiplied by the number of vested PSUs in the Participant’s Account which the Participant desires to settle in cash pursuant to the Unit Settlement Notice.
- (b) **Payment in Shares.** For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of a PSU pursuant to Section 5.5, such calculation will be made on the PSU Settlement Date and be the whole number of Shares equal to the whole number

of vested PSUs then recorded in the Participant's Account which the Participant desires to settle in Shares pursuant to the Unit Settlement Notice. Shares will be issued and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance or transfer of Shares. The issuance of Shares is subject to the limits set out in Section 2.5, and a payment in cash may be made to satisfy the obligation if the Corporation does not have sufficient Shares eligible to be issued.

5.7 PSU Agreements

PSUs shall be evidenced by a PSU Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ARTICLE 5 and ARTICLE 6 be included therein. The PSU Agreement shall contain such terms that may be considered necessary in order that the PSU will comply with any provisions respecting performance share units in the laws (including tax laws) in force in any country or jurisdiction of which the Participant may be subject to or the rules of any regulatory body having jurisdiction over the Corporation.

5.8 Vesting Requirement

Notwithstanding anything to the contrary herein, no PSU issued pursuant to this Plan may vest before the date that is one year following the date of grant.

5.9 Death Benefits and Expiry of Term

- (a) Any entitlement to make a claim on RSUs by the Participant's heirs/administrators must not exceed one year from the Participant's death.
- (b) Upon a participant ceasing to be an eligible Participant, the RSUs may remain in good standing, at the Board's discretion, up to a maximum of twelve (12) months.

ARTICLE 6 GENERAL CONDITIONS

6.1 General Conditions applicable to Awards.

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

- (a) **Employment.** The granting of an Award to a Participant shall not impose upon the Corporation or an Affiliate any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (b) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) (or in the case of Shares issued in uncertificated form, receipt of evidenced of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Shares). Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Share certificate is issued (or in the case of Shares issued in uncertificated form, such book position on the register is evidenced, as applicable).
- (c) **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

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

6.2 Termination of Employee, Director or Consultant

Subject to Section 6.3, unless otherwise determined by the Board or as set forth in a Grant Agreement:

- (a) unless otherwise provided this Section 6.2, if a Participant shall cease to be an Eligible Participant for any reason, then:
 - (i) each Award held by the Participant that has not vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date; and
 - (ii) all Awards held by the Participant that have vested as of the Termination Date shall: (i) in the case of a Unit, be settled in accordance with ARTICLE 4 or ARTICLE 5, as applicable; and (ii) in the case of an Option, be exercised in accordance with ARTICLE 3, at any time during the period that terminates on the earlier of: (A) the Option's expiry date, and (B) the 90th day after the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (b) if a Participant's employment or services are terminated by the Corporation or an Affiliate of the Corporation for Cause, then any unexercised vested or unvested Award held by the Participant is immediately forfeited and cancelled as of the Termination Date;
- (c) if a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, all Awards held by the Participant that have not vested as of the date of the death or Disability, as applicable, of such Participant shall be immediately forfeited;
- (d) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of:
 - (i) the date that the Corporation or an Affiliate of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 6.2, notwithstanding that such date may be prior to the Termination Date; or
 - (ii) the date of the death or Disability of the Participant; and
- (e) notwithstanding Subsection (a), unless the Board, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or an Affiliate of the Corporation for so long as the Participant continues to be a director, employee or consultant, as applicable, of the Corporation or an Affiliate of the Corporation. For clarity and by way of example only, subject to the Board's discretion, if a director ceases to be a director but becomes or remains a consultant, the Awards held by such Participant will not be affected by ceasing to be a director.

6.3 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 6.2, the Board, in its discretion, subject to shareholder and TSXV approval, as and when required, may at any time prior to, or following the events contemplated in such Section, or in an Employment Agreement or other written agreement between the Corporation or an Affiliate of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms as may be authorized by the Board, and if such discretion is taken and the vesting of any or all Awards occurs, then such

Awards will be settled in accordance with the terms hereof. However, no acceleration of vesting terms is permitted in respect of stock options issued to Investor Relations providers.

ARTICLE 7 ADJUSTMENTS AND AMENDMENTS

7.1 Adjustment to Shares Subject to Outstanding Awards.

- (c) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (d) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consideration if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.
- (e) Subject to Section 7.1(g), if at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Shares shall be reclassified, reorganized or otherwise changed, otherwise than as specified in Section 7.1(c) or Section 7.1(d) hereof or, subject to the provisions of Section 7.2(d) hereof, the Corporation shall consolidate, merge or amalgamate with or into another corporation (the corporation resulting or continuing from such consolidation, merger or amalgamation being herein called the “**Successor Corporation**”), the Participant shall be entitled to receive upon the subsequent exercise or vesting of Award, in accordance with the terms hereof and shall accept in lieu of the number of Shares then subscribed for but for the same aggregate consideration payable therefor, the aggregate number of shares of the appropriate class or other securities of the Corporation or the Successor Corporation (as the case may be) or other consideration from the Corporation or the Successor Corporation (as the case may be) that such Participant would have been entitled to receive as a result of such reclassification, reorganization or other change of shares or, subject to the provisions of Section 7.2(d) hereof, as a result of such consolidation, merger or amalgamation, if on the record date of such reclassification, reorganization or other change of shares or the effective date of such consolidation, merger or amalgamation, as the case may be, such Participant had been the registered holder of the number of Shares to which such Participant was immediately theretofore entitled upon such exercise or vesting of such Award.
- (f) Subject to Section 7.1(g), if, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Corporation shall make a distribution to all holders of Shares by way of a dividend or otherwise of other securities in the capital of the Corporation, cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares), or should the Corporation effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change, subject to the limits set out in Section 2.4(a). The Board shall determine the appropriate adjustments to be made in such circumstances, which may include the payment of cash to the Participant, in order to maintain the

Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

- (g) Any adjustment, other than in connection with a subdivision or a consolidation of the Shares under Sections 7.1(c) and 7.1(d), respectively, to an Award granted or issued under this Plan is subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

7.2 **Amendment or Discontinuance of the Plan.**

- (a) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
 - (i) not adversely alter or impair any Award previously granted except as permitted by the provisions of ARTICLE 8 hereof;
 - (ii) be subject to any regulatory approvals including, where required, the approval of the TSXV; and
 - (iii) be subject to shareholder approval, where required by law or the requirements of the TSXV, provided that 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:
 - (A) amendments to fix typographical errors;
 - (B) amendments to clarify existing provisions of this Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
 - (C) a change or amendment required by the TSXV.
- (b) Notwithstanding Section 7.2(a), the Board shall be required to obtain shareholder approval to make the following amendments:
 - (i) any change to the persons eligible to be granted or issued Awards under this Plan;
 - (ii) any change to the maximum number of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.4 and in the event of an adjustment pursuant to ARTICLE 8;
 - (iii) any amendment to the participation limits set out in Section 2.5;
 - (iv) any amendment to the method for determining the exercise price of Options;
 - (v) any amendment to the maximum term of an Award;
 - (vi) any amendment to the expiry and termination provisions applicable to Awards, including the addition of a blackout period;
 - (vii) the addition of a "net exercise" provision; and
 - (viii) any amendment to any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to a Participant.
- (c) Notwithstanding anything contained to the contrary in the Plan, the Board shall be required to obtain disinterested shareholder approval, in accordance with the policies of the TSXV, to make the following amendments:
 - (i) any Award grant or issue that would result in any of the limits set forth in Section 2.5 being exceeded;

- (ii) any amendment which reduces the exercise price or extends the term of any Award that was granted to a Person that is an Insider at the time of the proposed amendment; and
 - (iii) any amendment to an Award that results in a benefit to an Insider, and for further clarity, if a Participant's Award is cancelled and within one year such Participant is granted or issued a new Award, that is considered an amendment.
- (d) Notwithstanding anything contained to the contrary in the Plan, in a Grant Agreement contemplated herein, but subject to any specific provisions contained in any Employment Agreements, in the event of a Change in Control, a reorganization of the Corporation, an amalgamation of the Corporation, an arrangement involving the Corporation, a take-over bid (as that term is defined in the *Securities Act* (British Columbia)) for all of the Shares or the sale or disposition of all or substantially all of the property and assets of the Corporation, the Board may make such provision for the protection of the rights of the Participants as the Board in its discretion considers appropriate in the circumstances, including, without limitation, changing the Performance Criteria and/or other vesting conditions for the Awards and/or the date on which any Award expires or the Restriction Period, the Performance Period, the Performance Criteria and/or other vesting conditions for the Awards. The Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.
- (e) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan

ARTICLE 8 MISCELLANEOUS

8.1 Use of an Administrative Agent and Trustee.

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Corporation and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

8.2 Tax Withholding.

- (a) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 8.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.
- (b) Notwithstanding Section 8.2(a), the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply. This section will not supersede the requirements under Exchange Policy 4.4 nor potentially result in the alteration of the exercise price.

8.3 Reorganization of the Corporation.

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

8.4 Personal Information

Each Participant shall provide the Corporation and the Board with all information they require in order to administer the Plan. The Corporation and the Board may from time to time transfer or provide access to such information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing such services to the Corporation. By participating in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section 8.4, the Corporation and the Board shall not disclose the personal information of a Participant except: (i) in response to regulatory filings or other requirements for the information by a governmental authority with jurisdiction over the Corporation; (ii) for the purpose of complying with a subpoena, warrant or other order by a court, person or body having jurisdiction to compel production of the information; or (iii) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Corporation or its Affiliates including through an asset or share sale, or some other form of business combination, merger or joint venture, provided that such party is bound by appropriate agreements or obligations.

8.5 Governing Laws.

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

8.6 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.

APPENDIX A

FORM OF OPTION AGREEMENT

This Stock Option Agreement (the “**Option Agreement**”) is entered into between Scorpio Gold Corporation (the “**Corporation**”), and the optionee named below (the “**Optionee**”) pursuant to and on the terms and subject to the conditions of the Corporation’s 2024 Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan.

The terms of the option (the “**Option**”), in addition to those terms set forth in the Plan, are as follows:

1. **Optionee.** The Optionee is ● and the address of the Optionee is currently ●.
2. **Number of Shares.** The Optionee may purchase up to ● Shares of the Corporation (the “**Option Shares**”) pursuant to this Option, as and to the extent that the Option vests and becomes exercisable as set forth in Section 6 of this Option Agreement.
3. **Option Price.** The exercise price is Cdn \$● per Option Share (the “**Option Price**”).
4. **Date Option Granted.** The Option was granted on ●.
5. **Term of Option.** The Option terminates on ●. (the “**Expiry Date**”).
6. **Vesting.** The Option to purchase Option Shares shall vest and become exercisable as follows: ●.
7. **Exercise of Options.** In order to exercise the Option, the Optionee shall notify the Corporation in the form annexed hereto as SCHEDULE A, whereupon the Corporation shall use reasonable efforts to cause the Optionee to receive a certificate representing the relevant number of fully paid and non-assessable Shares in the Corporation.
8. **Transfer of Option.** The Option is not-transferable or assignable except in accordance with the Plan.
9. **Inconsistency.** This Option Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Option Agreement and the Plan, the terms of the Plan shall govern.
10. **Severability.** Wherever possible, each provision of this Option Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Option Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Option Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
11. **Entire Agreement.** This Option Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
12. **Successors and Assigns.** This Option Agreement shall bind and enure to the benefit of the Optionee and the Corporation and their respective successors and permitted assigns.
13. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
14. **Governing Law.** This Agreement and the Option shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
15. **Counterparts.** This Option Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Optionee acknowledges that the Optionee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Option Agreement as of the ____ day of _____, 20__

SCORPIO GOLD CORPORATION

By its authorized signatory:

Name:

Title:

[insert Participant's name]

SCHEDULE "A"

attached to the Stock Option Agreement

STOCK OPTION EXERCISE NOTICE_

The undersigned (the "Optionee") provides this Exercise Notice pursuant to the stock option agreement (the "Option Agreement") between **SCORPIO GOLD CORPORATION** (the "Company") and the undersigned made as of _____ [Insert Date of Grant from Option Agreement]. When properly completed, executed and delivered to the Company along with the required payment and any other agreements or documents to be provided by the Optionee under the Option Agreement, this Exercise Notice will constitute proper notice of an exercise of the option (the "Option") granted to the Optionee to purchase the number of Common Shares indicated below (the "Optioned Shares") in the capital of the Company.

Calculation of total Exercise Price:

1. Number of Optioned Shares exercised: _____, *multiplied by*
2. \$ _____ per Optioned Share, *equals*

TOTAL EXERCISE PRICE, enclosed herewith \$ _____.

The Optionee hereby exercises his or her right to purchase the number of Optioned Shares indicated above pursuant to the terms and conditions set forth in the Agreement and tenders herewith (**circle one**):

cash payment, certified cheque, bank draft, or money order

in favour of the Company in an amount equal to the Total Exercise Price, as calculated above, and directs the Company to issue a copy of a share certificate evidencing such Optioned Shares registered in the name of the Optionee to be delivered to the Optionee at the address set forth below:

Registration Name

Registration Address

DATED the _____ day of _____, 20____.

EXECUTED BY:

[Optionee's Name]

APPENDIX B

RESTRICTED SHARE UNIT AGREEMENT

This restricted share unit agreement (“**RSU Agreement**”) is entered into between Scorpio Gold Corporation (the “**Corporation**”) and the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Corporation’s 2024 Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is ● and the address of the Recipient is currently ●.
2. **Grant of RSUs.** The Recipient is hereby granted ● RSUs.
3. **Settlement.** The RSUs shall be settled as follows:
(Select one of the following three options):
 - (a) One Share issued from treasury per RSU.
 - (b) Cash Equivalent of one Share per RSU.
 - (c) Either (a), (b), or a combination thereof, at the election of the Corporation.
4. **Restriction Period.** In accordance with Section 4.2 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on ● and terminate on ●.
5. **Vesting.** The RSUs will vest as follows:
●
6. **Transfer of RSUs.** The RSUs granted hereunder are not-transferable or assignable except in accordance with the Plan.
7. **Inconsistency.** This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.
8. **Severability.** Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
9. **Entire Agreement.** This RSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
10. **Successors and Assigns.** This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
11. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
12. **Governing Law.** This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

13. **Counterparts.** This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this RSU Agreement as of the ____ day of _____, 20__.

SCORPIO GOLD CORPORATION

By its authorized signatory:

Name:

Title:

[insert Participant's name]

APPENDIX B

PERFORMANCE SHARE UNIT AGREEMENT

This performance share unit agreement (“**PSU Agreement**”) is entered into between Scorpio Gold Corporation (the “**Corporation**”) and the Participant named below (the “**Recipient**”) of the restricted share units (“**RSUs**”) pursuant to the Corporation’s 2024 Equity Incentive Plan (the “**Plan**”). Capitalized terms used and not otherwise defined in this PSU Agreement shall have the meanings set forth in the Plan.

The terms of the PSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is ● and the address of the Recipient is currently ●.
2. **Grant of PSUs.** The Recipient is hereby granted ● PSUs.
3. **Settlement.** The PSUs shall be settled as follows:
(Select one of the following three options):
 - (a) One Share issued from treasury per PSU.
 - (b) Cash Equivalent of one Share per PSU.
 - (c) Either (a), (b), or a combination thereof, at the election of the Corporation.
4. **Restriction Period.** In accordance with Section 5.2 of the Plan, the restriction period in respect of the PSUs granted hereunder, as determined by the Board, shall commence on ● and terminate on ●.
5. **Performance Criteria.** ●.
6. **Performance Period.** ●.
7. **Vesting.** The PSUs will vest as follows:
●
8. **Transfer of PSUs.** The PSUs granted hereunder are not-transferable or assignable except in accordance with the Plan.
9. **Inconsistency.** This PSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this PSU Agreement and the Plan, the terms of the Plan shall govern.
10. **Severability.** Wherever possible, each provision of this PSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this PSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this PSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
11. **Entire Agreement.** This PSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
12. **Successors and Assigns.** This PSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.

13. **Time of the Essence.** Time shall be of the essence of this PSU Agreement and of every part hereof.
14. **Governing Law.** This PSU Agreement and the PSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
15. **Counterparts.** This PSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this PSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this PSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this PSU Agreement as of the _____ day of _____, 20____.

SCORPIO GOLD CORPORATION

By its authorized signatory:

Name:

Title:

[insert Participant's name]

Schedule "C"
to the Information Circular of Scorpio Gold Corporation

NEW ARTICLES

**ARTICLES
OF
SCORPIO GOLD CORPORATION
(the "Company")**

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1.	Interpretation
2.	Shares and Share Certificates
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8.	Borrowing Powers
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12.	Votes of Shareholders
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14.	Election and Removal of Directors
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21.	Indemnification
22.	Dividends
23.	Accounting, Records and Reports
24.	Notices
25.	Seal
26.	Prohibitions

1. INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) "**board of directors**", "**directors**" and "**board**" mean the directors or sole director of the Company for the time being;
- (2) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (3) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "**legal personal representative**" means the personal or other legal representative of the shareholder;
- (5) "**Public Company**" means a company that:
 - (a) is a reporting issuer;
 - (b) is a reporting issuer equivalent;
 - (c) has registered its securities under the United States *Securities Exchange Act* of 1934;
 - (d) has any of its securities, within the meaning of the *Securities Act*, traded on or through the facilities of a securities exchange; or
 - (e) has any of its securities, within the meaning of the *Securities Act*, reported through the facilities of a quotation and trade reporting system
- (6) "**reporting issuer**" has the same meaning as in the *Securities Act*;
- (7) "**reporting issuer equivalent**" means a corporation that, under the laws of any Canadian jurisdiction other than British Columbia, is a reporting issuer or an equivalent of a reporting issuer;
- (8) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register of the Company;
- (9) "**seal**" means the seal of the Company, if any;
- (10) "**Securities Act**" means the *Securities Act* (British Columbia); and
- (11) "**Securities Transfer Act**" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

Business Corporations Act and Interpretation Act Definitions Applicable

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

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

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

2.2 Form of Share Certificate

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

2.3 Shareholder Entitled to Certificate or Acknowledgment or Written Notice

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

2.4 Delivery by Mail

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

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

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

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

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement

If a share certificate or a non-transferable written acknowledgement of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (1) proof satisfactory to them that the share certificate or acknowledgment is lost, stolen or destroyed; and
- (2) any indemnity the directors consider adequate.

2.7 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number

of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.9 Recognition of Trusts

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

3. ISSUE OF SHARES

3.1 Directors Authorized

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

3.2 Commissions and Discounts

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

3.3 Brokerage

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

3.4 Conditions of Issue

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

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property; or
 - (c) money;
- (2) and the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants, Options and Rights

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

4. SHARE REGISTERS

4.1 Central Securities Register

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

4.2 Closing Register

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

5. SHARE TRANSFERS

5.1 Registering Transfers

- (1) The Company must register a transfer of a share of the Company if either:
 - (a) the Company or the transfer agent or registrar for the class or series of share to be transferred has received;
 - (b) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
 - (c) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
 - (d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

5.2 Form of Instrument of Transfer

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

5.3 Transferor Remains Shareholder

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

5.4 Signing of Instrument of Transfer

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

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

5.5 Enquiry as to Title Not Required

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

5.6 Transfer Fee

There must be paid to the Company or the Company's transfer agent, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

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

6.2 Rights of Legal Personal Representative

The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company. This Article 6.2 does not apply in the case of the death of a

shareholder with respect to the shares registered in the shareholder's name and the name of another person in joint tenancy.

7. PURCHASE, REDEEM OR OTHERWISE ACQUIRE SHARES

7.1 Company Authorized to Purchase, Redeem or Otherwise Acquire Shares

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

7.2 Purchase When Insolvent

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

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

7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

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

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

8. BORROWING POWERS

The Company, if authorized by the directors, may:

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

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to the *Business Corporations Act*, the Company may, by directors' resolution, subdivide or consolidate all or any of its unissued, or fully paid issued, shares and if applicable, alter its Notice of Articles and, if applicable, Articles, accordingly; and subject to Article 9.2 and the *Business Corporations Act*, the Company may, by ordinary resolution:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) if the Company is authorized to issue shares of a class of share with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (4) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (5) alter the identifying name of any of its shares; or
- (6) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act* where it does not specify by a special resolution;

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

9.2 Special Rights or Restrictions

Subject to the *Business Corporations Act* and in particular those provisions of the Act relating to the rights of holders of outstanding shares to vote if their rights are prejudiced or interfered with, the Company may, by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued and alter its Notice of Articles and Articles accordingly.

9.3 Change of Name

The Company may, by directors' resolution, authorize an alteration of its Notice of Articles in order to change its name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may, by ordinary resolution alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

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

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent in writing by unanimous resolution under the *Business Corporations Act* to all of the business that is required to be

transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Notice for Meetings of Shareholders

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

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

10.5 Notice of Resolution to Which Shareholders May Dissent

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

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

10.6 Record Date for Notice

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

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

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

10.7 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set,

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

10.8 Failure to Give Notice and Waiver of Notice

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

10.9 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

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

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

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

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is 2/3 of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or represent by proxy, shareholders who in the aggregate hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

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

11.7 Lack of Quorum

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

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

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting shall be deemed to constitute a quorum.

11.9 Chair

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

- (1) the chair of the board, if any; or

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

11.10 Election of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number or the lawyer for the Company to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director or lawyer for the Company is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

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

11.12 Notice of Adjourned Meeting

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

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

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

11.16 Casting Vote

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

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:

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

11.18 Demand for Poll on Adjournment

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

11.19 Chair Must Resolve Dispute

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

11.20 Casting of Votes

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

11.21 Demand for Poll

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

11.22 Demand for Poll Not to Prevent Continuance of Meeting

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

11.23 Retention of Ballots and Proxies

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

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

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

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

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person

satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

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

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

12.4 Legal Personal Representatives as Joint Shareholders

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

12.5 Representative of a Corporate Shareholder

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

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

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 Proxy Provisions Do Not Apply to All Companies

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

12.7 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders

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

12.9 When Proxy Holder Need Not Be Shareholder

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

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

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

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

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

12.11 Validity of Proxy Vote

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

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

12.12 Form of Proxy

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

[name of company]
(the "Company")

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

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

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder printed]

12.13 Revocation of Proxy

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

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

12.14 Revocation of Proxy Must Be Signed

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

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

12.15 Production of Evidence of Authority to Vote

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

13. DIRECTORS

13.1 First Directors, Number of Directors

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

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

13.2 Change in Number of Directors

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

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

13.3 Directors' Acts Valid Despite Vacancy

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

13.4 Qualifications of Directors

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

13.5 Remuneration of Directors

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

13.6 Reimbursement of Expenses of Directors

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

13.7 Special Remuneration for Directors

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

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

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

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

14.2 Consent to be a Director

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

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

14.3 Failure to Elect or Appoint Directors

If:

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

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

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

14.4 Places of Retiring Directors Not Filled

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

directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

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

14.6 Remaining Directors Power to Act

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

14.7 Shareholders May Fill Vacancies

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

14.8 Additional Directors

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

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

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

14.9 Ceasing to be a Director

A director ceases to be a director when:

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

14.10 Removal of Director by Shareholders

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

14.11 Removal of Director by Directors

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

14.12 Nomination of Directors

- (1) Subject to the *Business Corporations Act*, if and for so long as the Company is a Public Company, only persons who are nominated in accordance with the procedures set out in this Article 14.12 shall be eligible for election as directors to the board of directors. Nominations of persons for election to the board at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors, may be made:
 - (a) by or at the direction of the board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with Division 7 of the *Business Corporations Act* or a requisition of shareholders made in accordance with the provisions of the *Business Corporations Act*; or
 - (c) by any person entitled to vote at such a meeting (a “**Nominating Shareholder**”) (A) who is, at the close of business on the date of giving notice provided for below in this Article 14.12, and on the record date for notice of the meeting, either entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at the meeting or who beneficially owns shares that are entitled to be voted at the meeting; and (B) who complies with the notice procedures set forth below in this Article 14.12.
- (2) In addition to any other applicable requirement, for a nomination to be validly made by a Nominating Shareholder, the Nominating Shareholder must deliver notice (“**Notice**”) thereof that is both timely (in accordance with subparagraph (3) below) and in proper written form (in accordance with subparagraph (4) below) to the corporate secretary of the Company at the principal executive offices of the Company in accordance with subparagraph (6) below.
- (3) To be timely under this Article 14.12, the Nominating Shareholder’s Notice to the corporate secretary of the Company must be made:
 - (a) in the case of an annual meeting of shareholders (including an annual and special meeting), not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting is made by the Company.
- (4) To be in proper written form, the Notice must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: the name, age, business, and residential address of the person; the principal

occupation, business or employment for the preceding five years of the person; the class or series and number of shares of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of the Notice; (v) confirmation that the person meets the qualifications of directors set out in the *Business Corporations Act*; and (vi) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and

- (b) as to the Nominating Shareholder giving the Notice, (i) the class or series and number of shares of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the meeting of shareholders (if such date has been made publicly available and shall have occurred) and as of the date of such Notice; (ii) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company; and (iii) any other information relating to the Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).
- (5) The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of the proposed nominee.
 - (6) Notwithstanding any other provision of these Articles, any notice, or other document or information required to be given to the corporate secretary pursuant to this Article 14.12 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the corporate secretary for purposes of this Article 14.12), and shall be deemed to have been received and made only at the time it is served by personal delivery to the corporate secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of the transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
 - (7) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12; provided, however, that nothing herein shall be deemed to preclude discussions by a shareholder (as distinct from nominating directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
 - (8) For purposes of this Article 14.12:
 - (a) **"public announcement"** means disclosure in a press release disseminated by the Company through a national news service in Canada, or in a document filed by the

Company for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and

- (b) “**Applicable Securities Laws**” means the Securities Act and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the provinces and territories of Canada.

15. ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

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

15.2 Notice of Meetings

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

15.3 Alternate for More than One Director Attending Meetings

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

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

15.4 Consent Resolutions

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

15.5 Alternate Director an Agent

Every alternate director is deemed to be the agent of his or her appointor.

15.6 Revocation or Amendment of Appointment of Alternate Director

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

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

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

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

16. POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

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

16.2 Appointment of Attorney of Company

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

16.3 Setting Remuneration of Auditor

The directors may set the remuneration of the Company's auditor from time to time without shareholder approval.

17. DISCLOSURE OF INTEREST OF DIRECTORS AND OFFICERS

17.1 Obligation to Account for Profits

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

17.2 Restrictions on Voting by Reason of Interest

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

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

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

17.5 Director Holding Other Office in the Company

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

17.6 No Disqualification

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

17.7 Professional Services by Director or Officer

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

17.8 Director or Officer in Other Corporations

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

18. PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors

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

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting has a second or casting vote.

18.3 Chair of Meetings

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

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

18.4 Meetings by Telephone or Other Communications Medium

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

18.5 Calling of Meetings

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

18.6 Notice of Meetings

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

18.7 When Notice Not Required

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

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

18.8 Meeting Valid Despite Failure to Give Notice

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

18.9 Waiver of Notice of Meetings

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

18.10 Quorum

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

18.11 Validity of Acts Where Appointment Defective

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

18.12 Consent Resolutions in Writing

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

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

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

19. COMMITTEES

19.1 Appointment and Powers of Executive Committee

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

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

19.2 Appointment and Powers of Other Committee

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

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

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

19.4 Powers of Board

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

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

19.5 Committee Meetings

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

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for

holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. OFFICERS

20.1 Directors May Appoint Officers

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

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

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

20.3 Qualifications

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

20.4 Remuneration and Terms of Appointment

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

21. INDEMNIFICATION

21.1 Definitions

In this Article 21:

- (1) “eligible party”, in relation to a company, means an individual who:
 - (a) is or was a director, alternate director or officer of the Company;
 - (b) is or was a director, alternate director or officer of another corporation
 - (i) at a time when the corporation is or was an affiliate of the Company, or
 - (ii) at the request of the Company; or
 - (c) at the request of the Company, is or was, or holds or held a position equivalent to that of, a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

and includes, except in the definition of “eligible proceeding”, and s. 163(1)(c) and (d) and s. 165 of the *Business Corporations Act*, the heirs and personal or other legal representatives of that individual;

- (2) “eligible penalty” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (3) “eligible proceeding” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which an eligible party or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director or officer of, or holding or having held a position equivalent to that of a director, alternative director or officer of, the Company or an affiliate of the Company:
 - (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (4) “expenses” has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Eligible Parties

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

21.3 Indemnification of Other Persons

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

21.4 Non-Compliance with *Business Corporations Act*

The failure of an eligible party to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

21.5 Company May Purchase Insurance

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

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

against any liability incurred by him or her as an eligible party.

22. DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

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

22.2 Declaration of Dividends

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

22.3 No Notice Required

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

22.4 Record Date

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

22.5 Manner of Paying Dividend

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

22.6 Settlement of Difficulties

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

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

22.7 When Dividend Payable

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

22.8 Dividends to be Paid in Accordance with Number of Shares

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

22.9 Receipt by Joint Shareholders

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

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

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

22.12 Payment of Dividends

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

22.13 Capitalization of Retained Earnings or Surplus

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

23. ACCOUNTING, RECORDS AND REPORTS

23.1 Recording of Financial Affairs

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

23.2 Inspection of Accounting Records

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

24. NOTICES

24.1 Method of Giving Notice

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

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (c) in any other case, the delivery address of the intended recipient;
- (3) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

- (4) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (5) making the record available for public electronic access in accordance with the procedures referred to as "notice-and-access" under National Instrument 54-101 and National Instrument 51-102, as applicable, of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation from time to time; or
- (6) physical delivery to the intended recipient.

24.2 Deemed Receipt of Mailing

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

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

24.3 Certificate of Sending

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

24.4 Notice to Joint Shareholders

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

24.5 Notice to Legal Representative and Trustees

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

- (1) mailing the record, addressed to them:
 - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24.6 Undelivered Notice

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

25. SEAL

25.1 Who May Attest Seal

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

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

25.2 Sealing Copies

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

25.3 Mechanical Reproduction of Seal

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

25.4 Execution of Documents Generally

The Directors may from time to time by resolution appoint any one or more persons, officers or directors for the purpose of executing any instrument, document or agreement in the name of and on behalf of the Company for which the seal need not be affixed, and if no such person, officer or director is appointed, then any one officer or director of the Company may execute such instrument, document or agreement.

26. PROHIBITIONS

26.1 Definitions

In this Article 26:

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

26.2 Application

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

26.3 Consent Required for Transfer of Shares or Designated Securities

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