



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

April 22, 2021

Wednesday, June 2, 2021 at 12:00 p.m. (Toronto time)

SRHI INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders of common shares of **SRHI INC.** (the "**Corporation**" or "**SRHI**") will be held virtually at <https://web.lumiagm.com/260007862> on Wednesday, June 2, 2021 at 12:00 p.m. (Toronto time), for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2020, together with the auditors' report thereon;
2. to elect the directors of the Corporation to hold office until the close of the next annual meeting of shareholders;
3. to appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and to authorize the board of directors to fix the remuneration to be paid to the auditors;
4. to approve, in accordance with the policies of the TSX Venture Exchange, the Company's new long-term incentive plan as more particularly set out in the Management Information Circular accompanying this Notice of Meeting;
5. to consider, and if thought appropriate, to pass, with or without variation, a special resolution, approving changing the name of the Corporation to "Three Valley Copper Corp.", or such other name as the board of directors, in its sole discretion, deems appropriate; and
6. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The Management Information Circular ("**Circular**") provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

Whether or not you expect to participate in the Meeting, please exercise your right to vote by completing and returning the form of proxy. Please complete, date and sign the enclosed form of proxy and return it in the enclosed envelope to TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, or by facsimile at (416) 595-9593, Attention: Proxy Department or vote on-line at www.voteproxyonline.com. If you are a beneficial shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or intermediary. To be effective, a proxy must be received by TSX Trust Company, not later than 12:00 p.m. (Toronto time) on May 31, 2021, or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

SRHI is actively monitoring the coronavirus disease 2019 (COVID-19) situation and is sensitive to the public health and travel concerns shareholders and other potential Meeting attendees may have and the protocols that federal, provincial, and local governments have and may further impose. Due to current government orders and public health directives regarding social distancing, including the maximum size of public gatherings, SRHI will be convening and conducting an audio-only virtual Meeting. At the virtual Meeting, registered shareholders, non-registered (or beneficial) shareholders, and their duly appointed proxyholders will be able to participate and vote "real time" at the Meeting, provided they are connected to the internet and have logged in at <https://web.lumiagm.com/260007862>. Non-registered shareholders must carefully follow the procedures set out in the Circular in order to vote virtually and participate in the Meeting through the live audio webcast. Non-registered shareholders who do not follow the procedures set out in the Circular will nonetheless be able to listen to the live webcast of the Meeting, but will not be able to participate in the Meeting or vote. There will not be a formal presentation by management at the Meeting. You have to be connected to the internet at all times to be able to vote — it is your responsibility to make sure you stay connected for the entire Meeting.

To ensure that shareholders' votes are cast at the Meeting, SRHI encourages each shareholder to submit a form of proxy or voting instruction form in a timely manner in advance of the Meeting, further to the instructions in the accompanying Circular. The Meeting will be available online through a live webcast accessible via <https://web.lumiagm.com/260007862>.

BY ORDER OF THE BOARD

Toronto, Ontario
April 22, 2021

"Terrence Lyons"
Terrence Lyons
Chairman of the Board

SRHI INC.

MANAGEMENT INFORMATION CIRCULAR FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 2, 2021 GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (this "Circular") dated April 22, 2021 is furnished in connection with the solicitation by or on behalf of management of SRHI Inc. (the "Corporation" or "SRHI") of proxies to be used at the annual and special meeting of the holders of common shares ("shareholders") of the Corporation (the "Meeting") to be held virtually at <https://web.lumiagm.com/260007862> on Wednesday, June 2, 2021 at 12:00 p.m. (Toronto time), and at all adjournments thereof, for the purposes set forth in the notice of the Meeting that accompanies this Circular (the "Notice of Meeting"). It is expected that the solicitation will be made primarily by mail but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or regular employees of the Corporation. Such persons will not receive any extra compensation for such activities. The Corporation may also retain, and pay a fee to, one or more proxy solicitation firms to solicit proxies from the shareholders of the Corporation in favour of the matters set forth in the Notice of Meeting. The Corporation may pay brokers or other persons holding common shares of the Corporation ("Common Shares") in their own names, or in the names of nominees, for their reasonable expenses for sending proxies and the Circular to beneficial owners of Common Shares and obtaining proxies therefor. The total cost of the solicitation will be borne by the Corporation.

Appointment of Proxyholder

The persons named by management in the enclosed form of proxy accompanying this Circular are directors or officers of the Corporation. **A shareholder of the Corporation has the right to appoint a person other than the persons designated by management of the Corporation in such form of proxy (who need not be a shareholder of the Corporation) to attend and act for such shareholder and on behalf of such shareholder at the Meeting or at any adjournment thereof.** Such right may be exercised by inserting the name of the person to be appointed in the blank space provided or by completing another proper form of proxy.

Shareholders who wish to appoint a person other than the management nominees identified on the form of proxy or voting instruction form ("VIF") (including a Beneficial Shareholder (as defined below) who wishes to appoint themselves to attend) must carefully follow the instructions in the Circular and on their form of proxy or VIF. These instructions include the additional step of registering such proxyholder with our transfer agent, TSX Trust Company, by emailing: tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found at <https://tsxtrust.com/resource/en/75>, after submitting their form of proxy or VIF. **Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving a Control Number to participate in the Meeting and only being able to attend as a guest.**

In the case of **registered shareholders**, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to the Corporation's registrar and transfer agent, TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, or vote on-line at www.voteproxyonline.com, or by submitting your proxy by facsimile at (416) 595-9593, Attention: Proxy Department. In the case of **Beneficial Shareholders** who receive these materials through their broker or other intermediary, the shareholder should complete and send the form of proxy or VIF, as applicable, in accordance with the instructions provided by their broker or other intermediary (see "*Advice to Beneficial Holders of Common Shares*"). **To be effective, a proxy must be received by TSX Trust Company not later than 12:00 p.m. (Toronto time) on May 31, 2021, or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.**

Revocation of Proxy

A shareholder who has given a proxy may revoke it: (i) by depositing an instrument in writing signed by the shareholder or by the shareholder's attorney, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the shareholder or by the shareholder's attorney, who is authorized in writing with TSX Trust Company at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1 or at the registered office of the Corporation up to 5:00 p.m. (Toronto time) on the last business day preceding the date of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment; (ii) by depositing such instrument in writing with the Chair

of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof; or (iii) in any other manner permitted by law.

Voting of Proxies

The persons named in the enclosed form of proxy will vote for, against or withhold from voting the Common Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions contained therein and if the shareholder specifies a choice with respect to any matter to be acted on, the Common Shares will be voted accordingly. **In the absence of such specifications, such Common Shares will be voted "for" each of the matters referred to herein.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters, if any, which may properly come before the Meeting or any adjournment thereof. **At the date of the Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the Common Shares represented by properly executed proxies given in favour of the persons designated by management of the Corporation in the enclosed form of proxy will be voted on such matters in accordance with the judgment of the named proxy.**

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many holders of Common Shares, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be admitted to participate in the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, most of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions), or withheld from voting, upon the instructions of the Beneficial Shareholder. In Canada, without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are properly communicated to the appropriate person within the required timeframe.**

Applicable securities laws require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. In accordance with the requirements of applicable securities laws, the Corporation has distributed copies of the Notice of Meeting, this Circular and the form of proxy to the intermediaries/brokers for onward distribution to Beneficial Shareholders. The Corporation will not be sending the Circular or other proxy-related materials directly to non-objecting Beneficial Shareholders but rather will instruct an intermediary to complete such mailing. In addition, the Corporation intends to pay for an intermediary to deliver to objecting Beneficial Shareholders the Circular, other proxy-related materials and the request for voting instructions made by an intermediary. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy or VIF, as applicable, supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. In Canada, the majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms or VIFs, as applicable, to Broadridge. Alternatively, Beneficial Shareholders can either call their toll free telephone number to vote their Common Shares, or access Broadridge's dedicated voting web site at www.proxyvote.com to deliver their voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the applicable meeting. **A Beneficial Shareholder receiving a Broadridge proxy or VIF, as applicable, cannot use that proxy or VIF to vote Common Shares directly at the Meeting. The proxy or VIF, as applicable, must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or an agent of the broker), a beneficial shareholder may attend the Meeting as

proxyholder for the registered shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should appoint themselves as proxy by entering their own names in the blank space on the form of proxy or VIF, as applicable, provided to them, return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting, and take the additional step of registering themselves with our transfer agent, TSX Trust Company, by emailing: tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found at <https://tsxtrust.com/resource/en/75>, after submitting their form of proxy or VIF.

Record Date

The Corporation's board of directors (the "**Board**" or the "**directors**") have fixed April 26, 2021 as the record date for the determination of shareholders entitled to receive notice of the Meeting. Only shareholders of record at the close of business on such record date are entitled to vote at the Meeting.

IMPORTANT INFORMATION ABOUT SRHI'S VIRTUAL ANNUAL AND SPECIAL MEETING

Out of an abundance of caution and to proactively deal with the impact of COVID-19 pandemic, and to mitigate risks to the health and safety of the Corporation's communities, shareholders and employees and other stakeholders, the Corporation will hold its annual and special meeting in a virtual audio-only format, which will be conducted via live webcast. Shareholders will have an equal opportunity to participate at the Meeting online.

Below are some frequently asked questions regarding the virtual meeting format for the Corporation's Meeting.

How can I participate and vote in the Meeting?

1. Log in at <https://web.lumiagm.com/260007862> at least 15 minutes before the Meeting starts
2. Click on "I have a control number"
3. Enter your control number (on your proxy form)
4. Enter the password: **srhi2021** (case sensitive)
5. Vote

The Corporation encourages you to submit your vote in advance to the Corporation's registrar and transfer agent, TSX Trust Company, at 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada, M5H 4H1, or by voting on-line at www.voteproxyonline.com, or by submitting your proxy by facsimile at (416) 595-9593, Attention: Proxy Department.

When can I join the Meeting online?

You may begin to log into the meeting platform beginning at 11:30 a.m. Eastern Time on June 2, 2021. The Meeting will begin promptly at 12:00 p.m. Eastern Time on June 2, 2021.

How can I ask questions or provide comments on motions on Meeting matters?

While logged in for the Meeting you will be able to submit questions or comments relating to Meeting matters online by clicking on the submit questions button. The Corporation does not intend on holding a question and answer session following the formal business of the Meeting.

What if I misplaced my control number?

Please contact TSX Trust Company at TMXInvestorServices@tmx.com by 10:00am (Eastern Time) on June 1, 2021 to get your control number.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As of April 22, 2021, there were 55,013,042 Common Shares issued and outstanding. Each Common Share has the right to one vote on each matter at the Meeting.

As of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying in excess of 10% of the voting rights attached to all outstanding Common Shares of the Corporation.

The Corporation received approval from both the Toronto Stock Exchange (the "**TSX**") and the TSX Venture Exchange (the "**TSXV**") to voluntarily delist the Corporation's Common Shares and common share purchase warrants (the "**Warrants**") from the TSX effective at the close of business on April 26, 2021 and the listing of its Common Shares and Warrants on the TSXV to take place on April 27, 2021. After this change, the Common Shares and Warrants will only be available for trading on the TSXV.

BUSINESS OF THE MEETING

Financial Statements

The audited consolidated financial statements of the Corporation for the financial year ended December 31, 2020, together with the auditors' report thereon, will be presented to the shareholders at the Meeting for their consideration.

Election of Directors

At the Meeting, it is proposed that seven directors be elected. Each nominee for election as a director, with the exception of Mr. Phillips, is currently a director of the Corporation. The term of office of each director currently in office will expire at the close of the Meeting and all directors elected at the Meeting will hold office until the next annual meeting of shareholders of the Corporation or until their successors are elected or appointed, unless he or she resigns, is removed or becomes disqualified in accordance with the Corporation's by-laws or governing legislation.

Pursuant to a subscription agreement (the "**Subscription Agreement**") dated February 15, 2011 between the Corporation and WISCO International Resources Development & Investment Limited ("**WISCO**"), WISCO is entitled (but not obligated) to nominate one individual (the "**WISCO Nominee**") for appointment or election, from time-to-time, to the Board and, if more than a total of eight nominees are to be proposed for election as directors of the Corporation (as is not the case at the Meeting), WISCO would be also entitled to nominate one additional individual for election to the Board (such individual, also a WISCO Nominee). Any WISCO Nominee must have a close connection to WISCO or its material affiliates. WISCO has nominated Mr. Bo Liu (Global Investment Director with Baosteel Resources Holding (Shanghai) Co. ("**Baosteel**"), an affiliate of WISCO) for election to serve as a director of the Corporation.

The Corporation's by-laws provide for advance notice of nominations of directors ("**Advance Notice Provisions**") in circumstances where nominations of persons for election to the Board are made by shareholders other than pursuant to a requisition of a meeting or a shareholder proposal, in each case made pursuant to the provisions of the *Canada Business Corporations Act* ("**CBCA**"). The Advance Notice Provisions fix deadlines by which a shareholder must notify the Corporation of nominations of persons for election to the Board, as follows: such notice must be provided to the Secretary of the Corporation (i) in the case of an annual meeting of shareholders, at any time not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the nominating shareholder may be given not later than the close of business (Toronto time) on the tenth day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business (Toronto time) on the fifteenth day following the day on which the first public announcement of the date of the special meeting of shareholders was made. The Advance Notice Provisions also stipulate that certain information about any proposed nominee be included in such a notice in order for it to be valid. The purpose of the Advance Notice Provisions is to ensure that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate prior notice of director nominations, as well as sufficient information concerning the nominees, and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provisions should assist in facilitating an orderly and efficient meeting process. A copy of the Corporation's by-laws is available under its profile on SEDAR at www.SEDAR.com.

The Board recommends a vote "for" the election of each of the proposed nominees named in the form of proxy, to serve on the Corporation's board of directors until the next annual meeting of shareholders. **Unless the shareholder who has given such proxy has directed that the Common Shares be "withheld" from voting in the election of directors, the persons named by management of the Corporation in the enclosed form of proxy intend to cast the votes to which the Common Shares represented by such proxy are entitled "for" the election of each of the nominees whose names are set forth below.** Management of the Corporation does not contemplate that any nominee will be unable to serve as a director, but if that should occur for any reason at or prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

The Board has adopted a majority voting policy for director elections providing that, in an uncontested election of directors, any nominee who does not receive a greater number of votes "for" than votes "withheld" will tender a resignation to the Board immediately following the Corporation's annual meeting of shareholders. The Corporate Governance, Compensation and Nominating Committee of the Board will consider the offer of resignation and, except in exceptional circumstances, will recommend that the Board accept the resignation. The Board will make its decision and will accept the resignation, absent exceptional circumstances. The Board will announce its decision in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable. Subject to the terms of the policy, a director who tenders a resignation pursuant to the policy will not participate in any meeting of the Board or the Corporate Governance, Compensation and Nominating Committee at which the resignation is considered.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including membership on standing committees of the Board and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person. Residential and share ownership information concerning the nominees has been furnished by the respective proposed nominees.

Name, Province and Country of Residence	Director Since ⁽¹⁾	Common Shares Beneficially Owned or over which Control or Direction is Exercised, Directly or Indirectly
Terrence A. Lyons, ICD.D ⁽²⁾⁽⁴⁾⁽⁷⁾ British Columbia, Canada	2005	529,991 ⁽⁷⁾
Lenard F. Boggio, ICD.D ⁽³⁾⁽⁵⁾⁽⁸⁾ British Columbia, Canada	2012	439,013 ⁽⁸⁾
Joan E. Dunne, ICD.D ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁹⁾ Alberta, Canada	2014	519,399 ⁽⁹⁾
Bo Liu ⁽⁶⁾ Shanghai, China	2019	Nil
Joe Phillips ⁽¹¹⁾ Florida, United States	N/A	Nil
David Smith, C.DIR ⁽³⁾⁽⁴⁾⁽⁵⁾⁽¹⁰⁾ Ontario, Canada	2018	597,890 ⁽¹⁰⁾
Michael Staresinic ⁽¹²⁾ Ontario, Canada	2020	189,673 ⁽¹²⁾

Notes:

- (1) Includes service on the board of directors of SRHI Resource Corp. ("**SRIC**") (the reverse take-over acquirer of Adriana Resources Inc. ("**ADI**"), the predecessor of the Corporation).
- (2) Chair of the Board.
- (3) Member of the Corporate Governance, Compensation and Nominating Committee.
- (4) Member of the Environment, Health and Safety Committee.
- (5) Member of the Audit Committee.
- (6) WISCO Nominee. WISCO beneficially owns 1,510,824 of the outstanding Common Shares (or approximately 2.7% of the issued and outstanding common Shares). Mr. Liu does not beneficially own or exercise control over, directly or indirectly, the Common Shares held by WISCO
- (7) 332,736 of such Common Shares have been designated for the account of Mr. Lyons under the Corporation's employee profit sharing plan and such plan of SRC assumed by the Corporation (collectively, the "**EPSP**"). As at the date hereof, 82,982 of the Common Shares designated under the EPSP (the "**EPSP Shares**") were not yet vested. For further information concerning the EPSP, see "*Securities Authorized for Issuance under Equity Compensation Plans - EPSP*" below.

- (8) 332,736 of such Common Shares have been designated for the account of Mr. Boggio under the EPSP. As at the date hereof, 82,982 of the EPSP Shares were not yet vested.
- (9) 332,736 of such Common Shares have been designated for the account of Ms. Dunne under the EPSP. As at the date hereof, 82,982 of such EPSP Shares were not yet vested.
- (10) 497,890 of such Common Shares have been designated for the account of Mr. Smith under the EPSP. As at the date hereof, 82,982 of such EPSP Shares were not yet vested.
- (11) Mr. Phillips is a Nominee.
- (12) 23,271 of such Common Shares have been designated for the account of Mr. Staresinic under the EPSP. As at the date hereof, all of the EPSP Shares have been vested. Mr. Staresinic exercises direction or control over 900 Common Shares on behalf of his spouse.

Terrence A. Lyons (ICD.D) - Mr. Lyons is a corporate director and is the Chair of the Board. He is also a director of several public and private corporations and currently serves as a Director of Canaccord Genuity Group Inc. ("**Canaccord**"). He is also a Director of Martinrea International Inc. and Mineral Mountain Resources Ltd. Mr. Lyons is a retired Managing Partner of Brookfield Asset Management and also President and Managing Partner of B.C. Pacific Capital Corporation, past Chairman of Polaris Materials Corporation recently acquired by US Concrete, past Chairman of Northgate Minerals Corporation which was acquired by Aurico Gold (now Alamos Gold), past Chairman of Eacom Timber Corporation, former Chairman of Westmin Mining and Vice-Chairman of Battle Mountain Gold. He is retired from the Board of Pavco (BC Pavilion Corporation). Terry is a Civil Engineer (UBC) with an MBA from Western University (formerly the University of Western Ontario). He sits on the Advisory Board of the Richard Ivey School of Business and is active in sports and charitable activities, is a past Governor of the Olympic Foundation of Canada, past Chairman of The Mining Association of B.C., past Governor and member of the Executive Committee of the B.C. Business Council, Past Director of the Institute of Corporate Directors (BC) and in 2007 was awarded the INCO Medal by the Canadian Institute of Mining and Metallurgy for distinguished service to the mining industry.

Mr. Lyons was a director of Royal Oak Ventures Inc. ("**Royal Oak**") at the request of Brookfield Asset Management ("**Brookfield**"), which was subject to cease trade orders in each of the provinces in British Columbia, Alberta, Ontario and Quebec due to the failure of Royal Oak to file financial statements since the financial year ended December 31, 2003. After restructuring the cease trade orders were lifted on July 4, 2012. Royal Oak was privatized by Brookfield effective December 31, 2013 and Mr. Lyons resigned as a director. Mr. Lyons was elected to the board of directors of Royal Oak because of his valuable experience and expertise in financial restructurings in the insolvency context.

Lenard Boggio - Mr. Boggio is a corporate director. He is a retired partner of PwC, where he was the British Columbia leader of the firm's mining industry practice. He has significant expertise in financial reporting, auditing matters and transactional support, previously assisting, amongst others, clients in the mineral resource and energy sectors, including exploration, development and production stage operations in the Americas, Africa, Europe and Asia. Mr. Boggio currently serves as an independent director of Equinox Gold Corp., Pure Gold Mining Inc., Titan Mining Corporation and Augusta Gold Corp. He has a Bachelor of Arts Degree and an Honours Bachelor of Commerce Degree from the University of Windsor. Mr. Boggio is a Fellow of the Chartered Professional Accountants of British Columbia ("**CPA BC**") and has previously served as the president of the Institute of Chartered Accountants of BC (now "**CPA BC**"). He is also a past Chair of the Canadian Institute of Chartered Accountants. Mr. Boggio holds the ICD.D designation from the Institute of Corporate Directors.

Mr. Boggio was a director of Great Western Minerals Group Ltd. ("**GWMG**") from January 2013 until his resignation together with all the then current directors in July 2015. On April 30, 2015 GWMG announced that a support agreement was entered into with the holders of a majority of GWMG's secured convertible bonds and GWMG was granted protection from its creditors under the Companies Creditors Arrangements Act upon receiving an initial order from the Court. On May 11, 2015, an order was issued by the Financial and Consumers Affairs Authority of the Province of Saskatchewan that all trading in the securities of GWMG be ceased due to its failure to file financial statements for the year ended December 31, 2014. In December, 2015 GWMG entered bankruptcy proceedings.

Joan E. Dunne - Ms. Dunne is a corporate director and, in addition to the Corporation, currently serves on the board of directors of Tundra Oil & Gas Limited (a private, wholly-owned subsidiary of James Richardson & Sons, Limited), where she chairs the Audit Committee. From 2016 to 2020, Ms. Dunne was appointed to the board of directors of Painted Pony Energy Ltd. ("**Painted Pony**") (TSX: PONY), a natural gas producer, where she was the Chair of the Audit and Risk Committee. From 2016 to March 2021, Ms. Dunne was appointed to the board of directors of the Capital Markets Authority Implementation Organization. Ms. Dunne joined the board of directors of Webber Academy (a private school) on January 9, 2019. Ms. Dunne graduated from the University of Calgary with a Bachelor of Commerce degree in 1979 and joined the Canadian Institute of Chartered Accountants (now CPA Canada) in 1983. Ms. Dunne received her ICD.D designation from the Institute of Corporate Directors in 2016. In March 2021, she was awarded with the designation of Fellow Chartered Accountant. Ms. Dunne was a member of the Canadian Performance Reporting Board of CPA Canada from 2012 until 2020. She was a member and Chair of CPA Canada's

Small Company Advisory Group of CPA Canada from 2011 until 2017. Ms. Dunne was Vice President, Finance and CFO of Painted Pony Petroleum Ltd. from start-up in February 2007 until retiring in September 2013. Ms. Dunne was Vice President, Finance and CFO of True Energy Inc., and subsequently True Energy Trust, from November 2002 until June 2006. From December 2000 to November 2002, Ms. Dunne consulted for various petroleum companies in the areas of finance, tax and investor relations. Prior thereto, she was Vice President, Finance and CFO of Ionic Energy Inc. since January 1998. From October 1996 until joining Ionic Energy Inc., Ms. Dunne was Vice President, Finance for Petrorep Resources Ltd. Prior thereto and from August 1994 to October 1996, Ms. Dunne held various positions with Barrington Petroleum Ltd, finally as Treasurer.

Bo Liu - Mr. Liu has held the position of Global Investment Director with Baosteel, a mineral resource investment, trade and logistic services company, since September 2017. Previously, Mr. Liu held several positions within Baosteel Resources International Co. Ltd and Baosteel Resources Co. Ltd, mineral resource investment, trade and logistic services companies, including Senior Manager of Resources Development (September 2017 to November 2020), Senior Manager of Global Resources Development (November 2010 to August 2017), Senior Manager of Resources Planning and Developing Department (August 2008 to October 2010) and Senior Manager of Alloys Trading and Developing (August 2006 to July 2008). Mr. Liu joined the Baosteel group of companies in 2001. Mr. Liu currently serves on the board of directors of Noront Resources Ltd. (TSX-V:NOT). Mr. Liu graduated from Tongji University in Shanghai, China with a Master Degree of Business Management.

Joe Phillips - Mr. Phillips has been a director and Chief Operating Officer ("**COO**") of Minera Tres Valles SpA ("**MTV**"), SRHI's 70% owned subsidiary copper mining company in Chile since December, 2018. Mr. Phillips is a senior mining executive with 48 years of experience in the construction, commissioning and operation of mining projects in 13 countries (7 in Latin America) in 5 continents. Over his career he has directed the construction, commissioning and operation of 11 plants and mining operations, all of which met or exceeded their designed capacities. Prior to MTV, he was the VP Operations and Senior Executive in Chile for Laguna Gold, operating the largest zinc mining operation in Chile. Mr. Phillips was the Chief Restructuring Officer for Carpathian Gold, representing Macquarie Bank, executing a successful turnaround of its Minerao Riacho dos Machados gold mine in Minas Gerais, Brazil. Mr. Phillips has held senior positions in US and Canadian mining companies including COO and Chairman of the Board of Lydian Resources, Armenia, Chief Development Officer of Coeur Mining, COO of Silver Standard Resources, and Senior VP Development for Pan American Silver Corp. He has been a leader in the development of mining and processing technology, building the fourth successful cyanide recovery plant in the world, leading the development of an innovative coal slurry technology with liquid carbon dioxide, and now at MTV building the second inclined block caving mine in the world.

Mr. Phillips is a Registered Professional Mining Engineer, graduating from the Colorado School of Mines ("**CSM**"), and with graduate studies in Engineering Management at the University of South Florida. At CSM he was the "Outstanding Graduate in Engineering Geology", a member of Tau Beta Pi engineering honorary, Sigma Gamma Epsilon service honorary, and a Distinguished Military Graduate. Early in his career, he held the positions of Manager of Exploration and VP Operations for the Mining Division of W.R. Grace & Co., where he discovered and led the development of two large coal mines in the western USA, one of which continues to operate as the largest coal mine in Colorado 45 years later. Mr. Phillips' experience includes the mining of several different minerals including coal, phosphate rock, gold, silver, zinc, copper, limestone, clay and aggregates. He has held Directorships in the Chambers of Mines in three countries including Chile, Mexico and Ghana, Africa. In addition to the above mentioned Director and Chairman positions, he was also a Director of Abooso Goldfields Ltd., the second largest gold mining company in Ghana, Africa.

Following Mr. Phillips' departure from Laguna Gold (a private Australian company), it filed for bankruptcy, principally due to a 40% drop in the price of Zinc in the world market. Laguna Gold's Chilean subsidiary, SCMET, was sold and continues to operate under its new owners.

David Smith - Mr. Smith is the Senior Vice-President, Finance and CFO of Agnico Eagle Mines Limited ("**Agnico**") (TSX:AEM; NYSE:AEM), a gold mining business, and has held this position since October 24, 2012. Mr. Smith currently serves as a director of Canada Nickel Company Inc. Previously Mr. Smith held the position of Senior Vice-President, Strategic Planning and Investor Relations of Agnico. Prior to joining Agnico's investor relations team in 2005, Mr. Smith was a mining analyst and also held a variety of mining engineering positions, both in Canada and abroad. Mr. Smith is a Chartered Director (C.DIR). He has a B.Sc. and M.Sc. in Mining Engineering from Queen's University in Kingston and the University of Arizona, respectively. Mr. Smith is also a Professional Engineer.

Michael Staresinic - Mr. Staresinic is President and CFO of the Corporation. From December 2013 to June 2020, he was CFO and Managing Director of SRHI and its predecessor, SRC. He has nearly 20 years of executive and financial management experience with public and private corporations. Over his career, Mr. Staresinic has developed specific expertise in

financings, restructurings, financial and internal reporting, strategic development and business planning, corporate governance, investor relations, regulatory compliance and treasury management. Mr. Staresinic is a Chartered Professional Accountant, Chartered Accountant, CFA® charterholder and a Chartered Alternative Investment Analyst. He holds an Honours Bachelor of Mathematics in Chartered Accountancy from the University of Waterloo and holds the ICD.D designation from the Institute of Corporate Directors.

Appointment and Remuneration of Auditors

Shareholders will be asked to vote for the appointment of PricewaterhouseCoopers LLP ("**PwC**") as independent auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the auditors' remuneration, which resolution will be approved if passed by a majority of votes cast at the Meeting, or at any adjournment thereof.

The Board recommends a vote "for" the appointment of PwC as independent auditors for the Corporation until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board to fix the auditors' remuneration. **Unless the shareholder who has given such proxy has directed that the shares be "withheld" from voting in the appointment of auditors, the persons named by management of the Corporation in the enclosed form of proxy intend to cast the votes to which the Common Shares represented by such proxy are entitled "for" the appointment of PwC as auditors of the Corporation to hold office until the next annual meeting of shareholders, and to authorize the directors to fix the remuneration of the auditors.**

Name Change

The Board and management of the Corporation believe that in order to better associate the Corporation's name with its business activities, a name change to "Three Valley Copper Corp." is required, or such other name as the Board, in its sole discretion, deems appropriate (the "**Name Change**").

The Name Change is also subject to receipt of all required regulatory approvals, including approval from the TSXV. If these approvals are received, the Name Change will be effected at a time determined by the Board. In order to effect the Name Change, the Corporation will file Articles of Amendment to amend its articles. Such Articles of Amendment shall only be filed upon the Board deciding, in its sole discretion, to proceed with the Name Change. The Name Change will become effective on the date shown in the certificate of amendment issued by the relevant governmental authority.

The text of the resolution approving of the Name Change to be submitted to shareholders at the Meeting is set forth below (the "**Name Change Resolution**"):

"RESOLVED that as a special resolution that

1. the change of name of the Corporation to "Three Valley Copper Corp." or such other name as the directors of the Corporation may deem appropriate is hereby approved;
2. any one or more directors are hereby authorized to prepare, execute and file articles of amendment in the prescribed form in order to give effect to this special resolution, and to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this special resolution; and
3. notwithstanding approval of the shareholders of the Corporation as herein provided, the directors of the Corporation may, in its sole discretion, abandon the name change and any or all of the actions authorized by this special resolution at any time prior to completion thereof in the sole discretion of the directors of the Corporation without further approval of the shareholders.

The Board recommends a vote "for" the Name Change Resolution. In order for the Name Change Resolution to be passed, it must be approved by a majority of the votes cast at the Meeting in respect thereof. **Unless the shareholder who has given such proxy has directed that the shares be voted "against" the Name Change Resolution, the persons named by management of the Corporation in the enclosed form of proxy intend to cast the votes to which the shares represented by such proxy are entitled "for" the Name Change Resolution.**

Approval of Long Term Incentive Plan

At the Meeting, shareholders will be asked to consider and, if thought advisable, to approve, with or without variation, a resolution to approve a new long-term incentive plan for the Corporation (the "**LTIP Plan**") adopted by the Board on April 22,

2021. Prior to the adoption of the LTIP Plan by the Board, the security-based compensation plans which the Corporation had available in order to attract, retain and motivate directors, officers, senior executives and other employees of the Corporation and consultants and service providers providing ongoing services to the Corporation, were its existing stock option plan (the “**Rolling Option Plan**”), pursuant to which the Board was able to grant stock options to such individuals and its EPSP, pursuant to which the Board was able to allocate compensation of participating members to purchase Shares of the Corporation through a trust in the open market. With the growth and expectations of the Corporation’s business subsequent to adoption of the Rolling Option Plan and EPSP, the Board determined it was in the best interests of the Corporation to adopt a new security-based compensation plan which would provide the Board with the ability and flexibility to make broader and different forms of equity rewards as part of its need to retain a competitive compensation structure for its directors, officers, executives, employees, consultants and service providers.

Consequently, the Board adopted the LTIP Plan as a means to grant options (“**Options**”), restricted share units (“**RSUs**”), deferred share units (“**DSUs**”), share appreciation rights (“**SARs**”, and together with the Options, the RSUs and the DSUs, the “**Awards**”) and EPSP Shares to directors, officers, senior executives and other employees of the Corporation or a subsidiary, consultants and service providers providing ongoing services to the Corporation and its affiliates (“**Eligible Participants**”, and when such Eligible Participants are granted Awards (as defined below), 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 Corporation are necessary to the Corporation’s success, to incentivize them to continue their services for the Corporation, and to align their interests with those of the Corporation. Accordingly, at the Meeting, if approval of the LTIP Plan is obtained, the LTIP Plan will replace the Rolling Option Plan. Similarly, if, at the Meeting, shareholders do not approve the LTIP Plan, the Rolling Option Plan will continue.

A complete copy of the LTIP Plan is set out in Appendix “B” of this Circular, and a summary of the material provisions of the LTIP Plan is set out below.

The adoption of the LTIP Plan by the Board is subject to approval of the LTIP Plan by the shareholders in accordance with the rules of the TSXV. Under TSXV rules, security-based compensation arrangements that are "evergreen plans", like the LTIP Plan, which contain provisions which provide for the replenishment of the number of securities reserved when Awards are exercised, must be approved by shareholders upon adoption and every year thereafter. Accordingly, at the Meeting, shareholders will be asked to approve the LTIP Plan. If approval of the LTIP Plan is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated Awards under the LTIP Plan until the Company’s 2022 annual shareholders’ meeting.

Summary of the LTIP Plan

The following is a summary of the material provisions of the LTIP Plan:

<i>Administration</i>	The LTIP Plan is administered and interpreted by the Board. The Board may decide by resolution to appoint a committee of at least three members to administer and interpret the LTIP Plan. The Board and the committee may also 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 or the committee may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.
<i>Eligibility</i>	The persons eligible to receive Awards are the Eligible Participants.
<i>Reserve Maximum</i>	Subject to adjustment, the total number of Shares reserved and available for grant and issuance pursuant to Options under the LTIP Plan shall not exceed a number of Shares equal to ten percent (10%) of the total issued and outstanding Shares of the Corporation at the time of granting of Options (on a non-diluted basis) or such other number as may be approved by the shareholders of the Corporation from time to time. Any increase in the issued and outstanding Shares (whether as a result of exercise of Awards or otherwise) will result in an increase in the number of Shares that may be granted and issued pursuant to Awards for Options under the LTIP Plan and any Awards for Options granted will, upon exercise, make new grants and issuances available under the LTIP Plan. The aggregate maximum number of Shares available for issuance from treasury underlying RSU, DSUs and SARs under this LTIP Plan, subject to adjustment, shall not exceed 1,250,000 Shares.

<p><i>Current Reserve</i></p>	<p>As of the date of this Circular, the Corporation had 55,013,042 Shares issued and outstanding. Consequently, 5,501,304 Shares are available to be reserved for issuance under the Corporation's security-based compensation plans. This represents 10% of the issued and outstanding Shares.</p> <p>The Corporation does not currently have any other security-based compensation plan other than the Rolling Option Plan, under which stock options to acquire 2,500,000 Shares have been granted as of the date of this Circular. This represents 4.5% of the issued and outstanding Shares. No additional stock options will be granted under the Rolling Option Plan. The stock options granted under the Rolling Option Plan are in addition to any Awards which may be made under the LTIP Plan. The exercise, cancellation or expiration of the stock options granted under the Rolling Option Plan will make new grants available under the LTIP Plan.</p> <p>Accordingly, as of the date of this Circular, there is a current reserve of 3,001,304 Shares available to be reserved for issuance under the LTIP Plan. This is equivalent to 5.5% of the issued and outstanding Shares.</p>
<p><i>Participation Limits</i></p>	<p>The LTIP Plan does include insider participation limits prohibiting insiders from (i) being granted Options, DSUs, RSUs and/or SARs whereby such grant could result, at any time, a number exceeding 10% of the issued and outstanding Shares and (ii) any Participant acquiring more than 5% of the issued and outstanding Shares in any 12-month period unless the Corporation has obtained disinterested shareholder approval in connection therewith.</p>
<p><i>Market Value as of Grant</i></p>	<p>Options - The option price for Shares that are the subject of any Option shall be determined by the Board at the time the Option is granted, but may not be less than the Discounted Market Price at the time of grant. The terms of the LTIP Plan do not allow for the exercise of an Option on a cashless basis.</p> <p>DSUs - Each Eligible Participant may elect, once each calendar year, to be paid a percentage of his or her annual retainer in the form of DSUs. The number of DSUs an Eligible Participant is entitled to receive is calculated by taking (i) the percentage elected by the Eligible Participant, (ii) multiplying that percentage by the Eligible Participant's annual retainer, and then (iii) dividing that product by the Market Value.</p> <p>RSUs - The purchase price of an RSU is determined by the Board and may be zero.</p> <p>SARs - The exercise price of a SAR shall be fixed by the Board, but may not be less than the Market Value at the time of grant. Upon exercise, the holder is entitled to receive the number of Shares equal to the excess of the Market Value on the effective date of such exercise over the exercise price of the SAR.</p> <p>"Market Value" means at any date when the Market Value of Shares of the Company is to be determined, and if the Shares of the Company are listed on the TSXV, the "market price" means (i) the volume weighted average trading price of such Shares on the TSXV (or, if such Shares are not then listed and posted for trading on the TSXV, on such recognized stock exchange in Canada on which such Shares are listed and posted for trading as may be selected for such purpose by the Board) for the five (5) consecutive trading days immediately preceding such date, provided that in the event that such Shares did not trade on any of such trading days, the Market Price shall be the average of the bid and ask prices in respect of such Shares at the close of trading on all of such trading days, provided that the Market Price for such trading days is not lower than the Discounted Market Price, and provided that in the event that such Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion, or (ii) the prior day's closing price of the Shares listed on the TSXV</p>
<p><i>Market Appreciation / Dividend Payment</i></p>	<p>The LTIP Plan contemplates the award of SARs.</p>

	<p>In addition, a holder of DSUs and RSUs is entitled to receive additional DSUs or RSUs (or fractions thereof) when dividends are declared and paid on Shares. The additional DSUs and RSUs are based on (i) the actual amount of dividends that would have been paid if the Participant had held Shares under the LTIP Plan on the applicable record date divided by (ii) the Market Value on the date on which the dividends on Shares are payable.</p>
<i>Vesting</i>	<p>Options - The Board shall, from time to time by resolution, determine the vesting provisions of the Options.</p> <p>DSUs - The Board may, at the time of grant, make DSUs subject to restrictions and conditions (i.e. continuing employment or achievement of pre-established performance goals). DSUs are exercisable immediately following the date a Participant resigns or is terminated.</p> <p>RSUs - The relevant conditions and vesting provisions of a RSU are determined by the Board (including the performance period and criteria, if any). In making its determination regarding the vesting requirements applicable to any RSUs, the Board shall ensure that such requirements are not considered a “salary deferral arrangement” for purposes of applicable legislation. The Board also sets a date upon which it is determined whether the vesting conditions with respect to RSUs have been met (the “RSU Vesting Determination Date”). This then establishes the number of RSUs that become vested. The RSU Vesting Determination Date cannot fall outside the period (the “Restricted Period”) that ends on December 31 of the year that is three (3) years after the calendar year in which the grant of RSUs was made. Any RSU that remains unvested on the RSU Vesting Determination or at the end of the Restricted Period, whichever is earlier, is cancelled.</p> <p>SARs - The relevant conditions and vesting provisions of a SAR are determined by the Board (including the performance period and criteria, if any).</p>
<i>Term</i>	<p>Options - The Board shall determine the period in which an Option is exercisable. An Option cannot expire later than ten (10) years from the date it is granted.</p> <p>DSUs - A Participant may redeem his or her DSUs up to the 120th day after the date of his or her termination.</p> <p>RSUs - The Board shall determine the Restricted Period, provided such Restricted Period cannot expire later than December 31 of the year that is three (3) years after the calendar year in which the grant of RSUs was made.</p> <p>SARs - The Board shall determine the period during which a SAR is exercisable, provided such period cannot expire more than ten (10) years from the date the SAR was granted.</p>
<i>Cessation</i>	<p>Options and SARs</p> <p>Termination for Cause - Any Option or SAR, or any unexercised or unvested portion thereof, shall terminate when a Participant ceases to be an Eligible Participant for “cause”. “Cause” shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the any code of conduct of the Corporation (or equivalent policy) and any reason determined by the Corporation to be cause for termination.</p> <p>Death - Any vested Option or SAR or the unexercised portion thereof (“Vested Award”), may be exercised by the estate of a Participant if such Participant dies while he or she is an Eligible Participant. However, a Vested Award must be exercised (i) within one (1) year of the Participant’s death or (ii) prior to the expiration of the original term of such Vested Award, whichever is earlier.</p> <p>Disability - Any Option or SAR, or any unexercised portion thereof, may be exercised by the Participant or his/her representative as the rights to exercise accrue. However, the Award must be exercised (i) within one (1) year of the disability, (ii) until the Participant becomes eligible for long-term disability benefits, or (iii) prior to the expiration of the original term of the Award, whichever is earlier.</p>

	<p>Other - If a Participant ceases to be an Eligible Participant for any reason other than for “cause”, death, or disability, the right to exercise an Option or SAR shall be limited to and expire on the earlier of (i) one (1) year after the date the Participant ceases to be an Eligible Participant or (ii) the expiry date of the Award set forth in the agreement pursuant to which the Award was granted</p> <p>RSUs</p> <p>Termination for Cause - Any unvested RSUs credit to a Participant's account shall be forfeited and cancelled immediately upon such Participant ceasing to be an Eligible Participant for “cause” or by resignation.</p> <p>Cessation of Employment - When a Participant retires, becomes eligible to receive long-term disability benefits, or has his or her employment terminated for reasons other than “cause” or by reason of injury or disability, such Participant's participation in the LTIP Plan shall be terminated immediately and all Awards shall terminate within a period of one (1) year from the cessation of employment.</p> <p>Retirement - If a Participant retires and becomes involved in another business or activity in the mining industry prior to the applicable RSU Determination Date, then (i) if the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such Participant shall be forfeited and cancelled, or (ii) if the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such Participant is entitled to receive the number of Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation.</p> <p>Death - If a Participant dies, his or her participation in the LTIP Plan terminates immediately. All unvested RSUs remain in effect until the RSU Vesting Determination Date. If the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such deceased Participant shall be forfeited and cancelled. If the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such deceased Participant is entitled to receive the number of Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation.</p> <p>Leave of Absence - If a Participant voluntarily takes a leave of absence, his or her participation in the LTIP Plan terminates immediately. All unvested RSUs remain in effect until the RSU Vesting Determination Date. If the Board determines the vesting conditions have not been met on the RSU Vesting Determination Date, the unvested RSUs of such Participant shall be forfeited and cancelled. If the Board determines the vesting conditions have been met on the RSU Vesting Determination Date, such Participant is entitled to receive the number of Shares he or she is entitled to in respect of such RSUs adjusted for the length of service provided by the Participant to the Corporation.</p>
<i>Assignability</i>	Awards granted under the LTIP Plan are transferable or assignable only to a “permitted assign”. A permitted assign means a trustee, executor, custodian, administrator acting on behalf of, or RRSP/ RRIF of the Participant.
<i>Amendments</i>	<p>The Board may amend the LTIP 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; • be subject to Shareholder approval, where required, provided that Shareholder approval is not required for following amendments and the Board may make any changes which may include but are not limited to: (i) amendments of a “housekeeping” nature; or (ii) a change to the vesting provisions of any Award. <p>The Board needs Shareholder approval to make the following amendments:</p> <ul style="list-style-type: none"> • any change to the maximum number of Shares issuable under the LTIP Plan, except any increase due to an adjustment or due to the evergreen nature of the plan; • any amendment that reduces the exercise price of an Award granted to insiders;

	<ul style="list-style-type: none"> • any amendment that extends the expiry date of an Award; • any amendment that changes the Eligible Participants; • any amendment to the amendment provisions of the LTIP Plan; and • any amendment for which, under the requirements of the TSXV or any applicable law, shareholder approval is required. <p>Shares held directly or indirectly by insiders that may benefit from certain amendments shall be excluded from voting when obtaining Shareholder approval.</p>
<i>Financial Assistance</i>	The LTIP Plan does not contain any form of financial assistance.
<i>Black-out Period</i>	If the expiration date of an Option or SAR falls within a black-out period, then the expiration of the Option or SAR is extended to the tenth (10th) business day following the end of the black-out period.
<i>Change of Control</i>	<p>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 (Ontario)) 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.</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 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; (iii) the Corporation undergoes a liquidation or dissolution or sells all or substantially all of its assets; or (iv) the Board adopts a resolution to the effect that a Change in Control as defined herein has occurred or is imminent.</p>
<i>Adjustments</i>	The LTIP Plan may be adjusted if certain changes are made to the Corporation’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 LTIP Plan.

At the Meeting, disinterested shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution approving and adopting the Plan (the “**LTIP Plan Resolution**”), which, to be effective, pursuant to TSXV policies, must be passed by not less than a majority of the votes cast by disinterested shareholders present in person, or represented by proxy, at the Meeting. For the purposes of the LTIP Plan Resolution, “disinterested shareholders” shall mean the shareholders of the Corporation, excluding votes attaching to Common Shares of the Corporation held by insiders and their associates and affiliates.

The Corporation expects that a total of 2,275,966 Common Shares representing 4.1% of the Common Shares will be excluded from voting on the LTIP Plan Resolution.

The text of the resolution approving the LTIP Plan to be submitted to shareholders at the Meeting is set forth below:

"RESOLVED THAT:

1. the LTIP Plan as set out in the Circular be and is hereby approved;
2. the Corporation be and is hereby authorized to grant Awards to acquire up to 10% of the issued and outstanding common shares in the capital of the Corporation from time to time in accordance with the terms of the LTIP Plan; and
3. any one director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver all documents and do all things as such person may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board recommends a vote "for" the LTIP Plan Resolution. In order for the LTIP Plan Resolution to be passed, it must be approved by a majority of the votes cast at the Meeting in respect thereof. **Unless the shareholder who has given such proxy has directed that the shares be voted "against" the LTIP Plan Resolution, the persons named by management of the**

Corporation in the enclosed form of proxy intend to cast the votes to which the shares represented by such proxy are entitled "for" the LTIP Plan Resolution.

Other Matters

The Corporation knows of no other matters to be submitted to the shareholders at the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named by management of the Corporation in the enclosed form of proxy to vote the Common Shares they represent in accordance with their judgment on such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Corporate Governance, Compensation and Nominating Committee

The Corporation has a Corporate Governance, Compensation and Nominating Committee to assist the Board in carrying out its responsibilities and decision making process relating to executive and director compensation for the Corporation. The charter for the Corporate Governance, Compensation and Nominating Committee is available for viewing at the Corporation's website at www.srhi.ca.

The Corporate Governance, Compensation and Nominating Committee is composed of the following three directors: Ms. Dunne (Chair) and Messrs. Boggio and Smith and, as such, is composed entirely of independent directors. Committee members each possess the skills and experience that enable the Corporate Governance, Compensation and Nominating Committee to make decisions on the suitability of the Corporation's compensation policies and practices, further details on the responsibilities and experiences of the committee members are described under "*Statement of Corporate Governance Practices— Corporate Governance, Compensation and Nominating Committee*".

Executive Compensation Discussion and Analysis

For the purpose of this Information Circular, a "Named Executive Officer", or "NEO", means each of the following individuals:

- a. a Chief Executive officer ("**CEO**") of the Corporation;
- b. a Chief Financial officer ("**CFO**") of the Corporation;
- c. each of the Corporation's three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the financial year ended December 31, 2020; and
- d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity at December 31, 2020.

During the financial year ended December 31, 2020, the Corporation had five (5) NEOs: Terrence Lyons, Interim CEO and Director, Michael Harrison, Former President and CEO, Michael Staresinic, President and CFO, Luis Vega, CEO of MTV, and Joe Phillips, COO of MTV.

In connection with the services provided to the Corporation by Sprott Consulting Limited Partnership ("**SCLP**") under the MSA (as described below under "*Management Contracts – MSA*"), until its termination on June 23, 2020, SCLP supplied the services of persons to serve as President and CEO, and CFO of the Corporation. SCLP also supplied the services of persons to serve as Chief Investment Officer ("**CIO**"), Associate General Counsel and Corporate Secretary, and Managing Directors (an officer title) and, until January 17, 2019, General Counsel of the Corporation (collectively, the President and CEO, CFO, CIO, Associate General Counsel and Corporate Secretary, Managing Directors and General Counsel, the "**SCLP Executives**").

Management Services Fees paid under the MSA were designed to pay SCLP for the management of the Corporation. The SCLP Executives were provided by Sprott Inc. ("**SII**") through SCLP and the Management Services Fees paid under the MSA were used to compensate the SCLP Executives. The compensation paid by the Corporation to the SCLP Executives was determined by SCLP in consultation with the Corporate Governance, Compensation and Nominating Committee.

Upon the termination of the MSA on June 23, 2020 (described further below under "*Management Contracts – The MSA*"), Terry Lyons, the Chairman of the Corporation, became the Interim CEO of the Corporation. Michael Staresinic continued to serve as the Corporation's CFO upon becoming employed directly by the Corporation on June 24, 2020 and Mr. Staresinic was also

named President and Corporate Secretary of the Corporation. Michael Harrison ceased to be the Corporation's CEO upon termination of the MSA. Certain transitional services were provided by SCLP on an interim basis until December 31, 2020 at no cost to the Corporation in accordance with the terms of a transitional support agreement dated May 12, 2020 between SCLP and the Corporation (the "TSA"), further details of which are described below under "Management Contracts – The MSA".

The following disclosure sets out the compensation that the Board intended to pay, make payable, award, grant, give or otherwise provide to each NEO and director of the Corporation or its subsidiaries for the period June 24, 2020 to December 31, 2020 together with those amounts paid under the MSA for the period January 1, 2020 to June 23, 2020.

Effective June 24, 2020, the objectives of the compensation program are to balance the need to offer competitive compensation compared to peer companies in the mining industry and with comparably sized companies at a similar stage of development in order to attract and retain high-calibre executives against the need to provide compensation programs that are fair and reasonable from the perspective of shareholders.

The Corporation compensation program has been designed to achieve the following key objectives:

1. Recruit and Retain High-Calibre Executive Management

The Corporation structures its executive compensation so that it can continue to attract, retain and motivate key executives in Canada and Chile in a highly competitive mining industry.

2. Providing Fair and Competitive Compensation

The Corporation has established executive compensation principles and a compensation policy for its executive officers. The executive compensation program is designed to provide fair and competitive compensation through the following elements of compensation: (i) a competitive cash compensation consisting of base salary, milestone-based performance bonuses and certain perquisites, and (ii) providing an opportunity to participate in the Corporation's long-term growth through the grant of Options and/or EPSP Shares.

3. Balancing the Interests of Executive Management and Shareholders of the Corporation

The executive compensation program aligns the interests of executive management with the interests of the shareholders through the following elements: (i) the opportunity for executives to achieve bonuses based upon the achievement of specific milestones, targets and/or predetermined goals, and (ii) the grant of Options and/or EPSP Shares, which if the price of the Corporation's Common Shares increase over time, both executives and shareholders will benefit.

The compensation program is designed to reward the advancement of the Corporation's projects and the long-term appreciation of the Corporation's Common Share price.

The basic elements of the compensation program are base salary, annual incentive bonuses and long-term EPSP Shares and/or Option incentives. If the LTIP Plan Resolution is approved by shareholders at the Meeting, the compensation program will also include other long-term security-based Awards.

Base Salary

Base salaries that are competitive in the markets forms an essential component of the Corporation's compensation mix and represents an immediate means of rewarding the NEO for efforts expended on behalf of the Corporation. On an individual basis, base salaries are reviewed for each executive officer of the Corporation, and where it is deemed necessary, changes are made. In order to ensure that base salaries paid are competitive relative to other similar positions within the mining industry in Canada and Chile, compensation of other issuers of similar size and complexity are examined. Other considerations taken into account when examining base salaries include years of experience, the potential contribution which the individual can make to the success of the Corporation and the expertise, level of responsibility and authority inherent in the job, the importance of maintaining internal equity within the organization and his or her overall performance based on informal feedback. There is no mandatory framework that determines which of these factors may be more or less important and could vary among the executive officers. Compensation of the CEO is approved annually by the Board and the determination of the base salaries relies principally on negotiations between the respective NEO and the Corporation and is therefore heavily discretionary.

Annual Incentives

The Corporate Governance, Compensation and Nominating Committee may recommend bonuses be paid to executive officers of the Corporation when their performance warrants additional consideration. The Corporation's current annual bonus plan is

applicable to the NEOs of the Corporation only, excludes NEOs of its subsidiaries and are based on predetermined performance-based milestones that are eligible for certain discretionary performance bonuses linked to achieving these milestones. Annual incentives for the NEOs of MTV are based on the achievement of certain performance related targets based on subjective and objective goals. The Corporate Governance, Compensation and Nominating Committee and the Board determines what portion of the annual incentive was to be paid in cash and what portion, if any, would be paid as a security-based incentive for the Corporation's NEOs but excludes those NEOs of MTV. See "*Securities Authorized for Issuance under Equity Compensation Plans*" below.

Security-Based Incentives

Options to purchase the Common Shares and the granting of EPSP Shares encourage executive officers to own and hold the Corporation's Common Shares and are a method of linking the performance of the Corporation and the appreciation of share value to the compensation of the executive officer. When determining the number of Options and/or EPSP Shares granted to an executive officer, items such as the relative position of the individual officer, the contribution made by that officer during the review period and the number of Options and/or EPSP Shares granted previously would be taken into consideration.

The Corporate Governance, Compensation and Nominating Committee recommends Option grants and EPSP Share awards to the Board. Pursuant to the Corporation's Rolling Option Plan, the Corporation's Board grants Options to directors, executive officers, other employees and consultants as incentives. The level of Options and/or EPSP Shares awarded to a NEO is determined by their position and their potential future contributions to the Corporation.

The total number of Common Shares issuable on the exercise of actual Options that have been granted and remain outstanding under the Rolling Option Plan as of the date hereof is 2,500,000 Common Shares representing approximately 4.5% of the Common Shares outstanding. Currently there are 55,013,042 Common Shares of the Corporation outstanding and 10% of the current issued and outstanding share capital is 5,501,304. Based on the current number of issued and outstanding Common Shares, 3,001,304 stock options remain available for issuance under the Rolling Option Plan (representing 5.5% of the issued and outstanding Common Shares).

The Corporation may award Options under the Corporation's Rolling Option Plan to employees and independent directors of the Corporation. The Rolling Option Plan is further described in "*Securities Authorized for Issuance under Equity Compensation Plans*"

If the LTIP Plan Resolution is approved by shareholders at the Meeting, NEOs may be issued other long-term security-based Awards for the financial year ended December 31, 2020. Accordingly, at the Meeting, if approval of the LTIP Plan is obtained, the LTIP Plan will replace the Rolling Option Plan. Similarly, if, at the Meeting, shareholders do not approve the LTIP Plan, the Rolling Option Plan will continue.

Other Compensation – Perquisites

Perquisites such as health benefits and other usual perquisites may be provided for executives in accordance with local practices in order.

Risk Associated with Compensation

In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's executive compensation program, the Board does not presently deem it necessary to consider the implications of the risks associated with its compensation policies and practices.

Summary Executive Compensation Table

The following Summary Compensation Table sets forth the compensation earned during each of the last three fiscal years by each of the NEOs of the Corporation.

Name and Principal Occupation	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) ⁽⁹⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽¹⁾	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Terrence Lyons, Interim CEO ⁽²⁾	2020	120,000 ⁽³⁾	—	32,183 ⁽⁴⁾	—	—	—	—	152,183
	2019	—	—	—	—	—	—	—	—
	2018	—	—	—	—	—	—	—	—
Michael Staresinic, President and CFO ⁽⁵⁾	2020	194,792	—	78,158	200,000	—	—	268,862	741,812
	2019	—	—	—	—	—	—	232,800	232,800
	2018	—	—	—	—	—	—	175,000	175,000
Luis Vega, CEO of MTV ⁽⁶⁾	2020	399,778	—	—	66,957	—	—	—	466,735
	2019	395,427	—	—	69,969	—	—	—	465,396
	2018	386,129	—	—	67,042	—	—	—	453,171
Joe Phillips, COO of MTV ⁽⁷⁾	2020	198,207	—	—	—	—	—	—	198,207
	2019	319,650	—	—	—	—	—	—	319,650
	2018	75,410	—	—	—	—	—	—	75,410
Michael Harrison, Former President and CEO ⁽⁸⁾	2020	—	—	—	—	—	—	—	—
	2019	—	—	—	—	—	—	180,000	180,000
	2018	—	—	—	—	—	—	213,750	213,750

Notes:

- (1) Mr. Staresinic and Mr. Harrison were SCLP Executives prior to the termination of the MSA on June 23, 2020 and received compensation paid by SCLP or, at the request of SCLP, by the Corporation including salary, bonus and other compensation attributable to services provided to the Corporation by such persons, however such amounts were determined by SCLP and not by the Corporation. Perquisites and other personal benefits have not been included as they do not reach the prescribed threshold of the lesser of \$50,000 or 10% of the total salary for the financial year.
- (2) Mr. Lyons was appointed Interim CEO on June 23, 2020 and effective June 2, 2021 will relinquish this officer title and remain as non-executive Chairman of the Corporation.
- (3) This represents director fees (including fees for services on the Special Committee during 2020) and not compensation related to his role as interim CEO.
- (4) As part of Mr. Lyons Option grant of 350,000 stock options, 300,000 stock options (\$27,585) are for compensation for his role as a director of the Corporation and 50,000 stock options (\$4,598) are for compensation for his role as interim CEO of the Corporation.
- (5) Mr. Staresinic continued to serve as CFO of the Corporation notwithstanding termination of the MSA on June 23, 2020. Effective June 24, 2020, Mr. Staresinic entered into an employment contract with the Corporation as President, CFO and Corporate Secretary of the Corporation. The Corporation has an employment agreement with Mr. Staresinic, who receives a salary of \$31,250 per month. He is eligible to receive bonuses linked to achieving Corporation milestones set annually. It is expected that Mr. Staresinic will assume the role of CEO on June 2, 2021 when Mr. Lyons relinquishes this position. The Corporation expects to fill the position of CFO with a new employee. Refer to "Executive Compensation — Termination of Employment, Change in Responsibilities and Employment Contracts".
- (6) Mr. Vega entered into an employment agreement with the Corporation on October 2, 2017. Mr. Vega was paid a base salary of \$386,129 in 2018 (US\$298,008 based on the annual average exchange rate reported by Bank of Canada in 2018 of \$1.2957 = US\$1.00), base salary of \$395,427 in 2019 (US\$298,008 based on the annual average exchange rate reported by Bank of Canada in 2019 of \$1.3269 = US\$1.00) and base salary of \$399,778 in 2020 (US\$298,008 based on the annual average exchange rate reported by Bank of Canada in 2020 of \$1.3415 = US\$1.00). Mr. Vega was paid a bonus of \$67,042 in 2018 (US\$51,742 based on the annual average exchange rate reported by Bank of Canada in 2018 of \$1.2957 = US\$1.00), bonus of \$69,969 in 2019 (US\$52,731 based on the annual average exchange rate reported by Bank of Canada in 2019 of \$1.3269 = US\$1.00) and bonus of \$66,957 in 2020 (US\$49,912 based on the annual average exchange rate reported by Bank of Canada in 2020 of \$1.3415 = US\$1.00). Refer to "Executive Compensation — Termination of Employment, Change in Responsibilities and Employment Contracts".
- (7) Mr. Phillips entered into a consulting service agreement with the Corporation on June 15, 2018. Mr. Phillips was paid \$75,410 in 2018 (US\$58,200 based on the annual average exchange rate reported by Bank of Canada in 2018 of \$1.2957 = US\$1.00), \$319,650 in 2019 (US\$240,900 based on the annual average exchange rate reported by Bank of Canada in 2019 of \$1.3269 = US\$1.00) and \$198,207 in 2020 (US\$147,750 based on the annual average exchange rate reported by Bank of Canada in 2020 of \$1.3415 = US\$1.00).
- (8) Mr. Harrison served as President and CEO of the Corporation from May 7, 2019 to the termination of the MSA on June 23, 2020. Previously, Mr. Harrison was provided by SCLP to serve as a Managing Director of the Corporation since February 9, 2017. Prior to this, Mr. Harrison was the CEO of ADI (the predecessor of the Corporation).

(9) The Corporation has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Corporation's financial statements. The fair value of the option-based awards for 2020 was determined using the following assumptions: risk-free rate of 0.41%, forfeiture rate of nil, vesting period of one year, expected dividend yield of nil, expected share price volatility of 40% and expected life of five years. These values represent the calculated Black-Scholes theoretical value of granted options. It is important to note that these granted Options may or may not ever be exercised. Whether granted Options are exercised or not will be based primarily, but not singularly, on the Corporation's future stock price and whether the granted Options become "in-the-money". If these granted Options are unexercised and expire, the cash value or benefit to the above noted individuals is \$nil.

Outstanding Option-Based and Share-Based Awards

The following table provides information regarding all option-based and share-based awards of the Corporation held by each of the NEOs outstanding as of December 31, 2020, including EPSP Shares designated for the accounts of the NEOs for the financial year ended December 31, 2020.

Name	Option Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#) ⁽¹⁾	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽²⁾	Number of Shares or Units of Shares that have not Vested	Market or Payout Value of Share-Based Awards that have not vested (\$) ⁽³⁾	Market or Payout Value of Vested Share-Based Awards not Paid or Distributed (\$) ⁽³⁾
Terrence Lyons, Interim CEO ⁽⁴⁾	350,000	\$0.31	August 12, 2030	—	82,982	24,065	74,318
Michael Staresinic, President and CFO	850,000	\$0.31	August 12, 2030	—	—	—	6,749
Luis Vega, CEO of MTV	—	—	—	—	—	—	—
Joe Phillips, COO of MTV	—	—	—	—	—	—	—
Michael Harrison, Former CEO	—	—	—	—	—	—	—

Notes:

- (1) As part of Mr. Lyons Option grant of 350,000 stock options, 300,000 stock options (\$27,585) are for compensation for his role as a director of the Corporation and 50,000 stock options (\$4,598) are for compensation for his role as interim CEO of the Corporation.
- (2) Calculated as the difference (if positive) between the December 31, 2020 closing price on the TSX of \$0.29 per Common Share and the exercise price of the Options.
- (3) Calculated based on a December 31, 2020 closing price on the TSX of \$0.29 per Common Share.
- (4) All share-based awards relate to Mr. Lyons service as a director of the Corporation.
- (5) For the financial year ended December 31, 2020, Mr. Harrison's unexercised Options expired on November 17, 2020.

Value Vested or Earned Under Incentive Plan Awards During the Financial Year ended December 31, 2020

The following table provides information regarding the value on vesting of incentive plan awards of the Corporation for each of the NEOs for the financial year ended December 31, 2020.

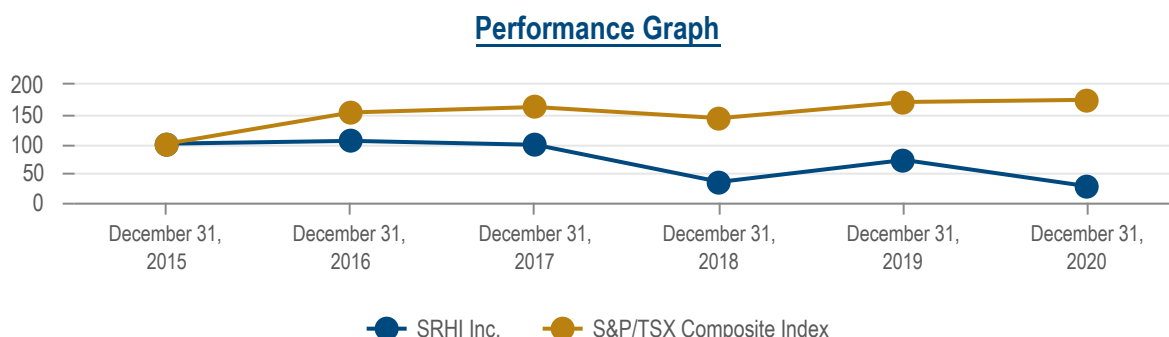
Name ⁽³⁾	Option-Based Awards - Value Vested During the Year (\$) ⁽¹⁾	Share-Based Awards - Value Vested During the Year (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation - Value Earned During the Year (\$)
Terrence Lyons, Interim CEO ⁽³⁾	—	50,719	—
Michael Staresinic, President and CFO	—	—	—
Luis Vega, CEO of MTV	—	—	—
Joe Phillips, COO of MTV	—	—	—
Michael Harrison, Former CEO	—	—	—

Notes:

- (1) Calculated as the aggregate value that would have been realized if the Options which vested during the year ended December 31, 2020 were exercised on the vesting date thereof. None of the Options granted which vested during the year ended December 31, 2020 were in-the-money at the time of vesting.
- (2) Summarizes the aggregate value of those share-based awards that vested during the year ended December 31, 2020 that would have been realized if EPSP Shares had been sold on their vesting date during the year ended December 31, 2020.
- (3) All share-based awards relate to Mr. Lyons service as a director of the Corporation.

Performance Graph

The following graph compares the cumulative shareholder return on an investment of CAD\$100 in the Common Shares of the Corporation on December 31, 2015 against the cumulative total shareholder return on the S&P/TSX Composite Index to December 31, 2020.



Equity-Based Anti-Hedging Policy

On March 3, 2017, the Corporation adopted a Share Trading Policy, which prohibits the Corporation's directors, officers and employees (the "**Corporation Personnel**") from, among other things, purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation (or equivalents such as share units, the value of which is derived from equity securities) granted as compensation or held, directly or indirectly, by the Corporation Personnel. This prohibition also applies to equity securities (or equivalents such as share units, the value of which is derived from equity securities) of publicly traded subsidiaries of the Corporation held, directly or indirectly, by Corporation Personnel. To the knowledge of the Corporation as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Pension Plan Benefits

The Corporation does not provide a pension or savings plan for its NEOs or any Corporation personnel.

Termination of Employment, Change in Responsibilities and Employment Contracts

The following describes the respective employment contracts entered into by the Corporation and the NEO in effect as of the Record Date.

Michael Staresinic, President and CFO of the Corporation

The Corporation entered into an employment contract with Michael Staresinic on June 24, 2020. Mr. Staresinic is entitled to compensation for the provision of management services in the amount of \$375,000 per year. As a consideration of the execution of the employment contract, Mr Staresinic was paid a one-time lump sum signing bonus of \$100,000. In addition, Mr. Staresinic was provided with 850,000 Options (see "*Statement of Executive Compensation — Outstanding Option-Based and Share-Based Awards*") and a commitment by the Corporation to enter into a long-term incentive award equal in value to \$900,000 that will vest over a 3 year period in equal installments and payable based on the performance of the Corporation's stock price. This long-term incentive award is yet to be finalized between the Corporation and Mr. Staresinic. Mr. Staresinic is eligible to receive annual bonus awards relating to any fiscal quarter and/or year based on the results of a balanced performance scorecard ranging between 0% and 150% of base salary.

In the event of termination without cause, Mr. Staresinic is entitled to (i) a lump sum payment equivalent to two times the base salary in effect, (ii) a pro-rated bonus award for the period of his active employment during the relevant fiscal year at 100% target, (iii) continued participation of all employee benefits for a period of 24 months, (iv) payment of career counselling and education allowance up to \$25,000, and (v) payment of any accrued and unused vacation.

Additionally, in the event of Change of Control (as defined below) or for Good Reason (as defined below), Mr. Staresinic is entitled to (i) a lump sum payment equivalent to three times the base salary in effect, (ii) a pro-rated bonus award for the period of his active employment during the relevant fiscal year at 100% target, (iii) the automatic vesting of all unvested Options that will remain exercisable for a maximum period of up to 12 months, (iv) continued participation in all employee benefits for period of 36 months; (v) payment of career counselling and education allowance up to \$25,000 and (vi) payment of any accrued and unused vacation. All unpaid portions of the EPSP will become payable within no less than 30 days following the Change of Control.

A Change of Control means the occurrence of any one or more of the following events:

- (a) A consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation and another corporation or other entity as a result of which the holders of Common Shares immediately prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction;
- (b) Any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control of Common Shares (including, without limitation, the right to vote or direct the voting) which, when added to the Common Shares owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror to cast or to direct the casting of 50% or more of the votes attached to all of the Corporation's outstanding common shares which may be cast to elect directors of the Corporation of the successor corporation (regardless of whether a meeting has been called to elect directors).

Good Reason means the occurrence of any one or more of the following events which shall occur without the express written consent of Mr. Staresinic:

- (a) A change in Mr. Staresinic's reporting responsibilities, titles or office, or Mr. Staresinic's removal from, or any failure to re-elect Mr. Staresinic to, any of such positions, which has the effect of materially diminishing Mr. Staresinic's responsibility or authority, excluding for this purpose an isolated, insubstantial or inadvertent action not taken in bad faith and which is remedied by the Corporation within at least 30 calendar days after receipt of written notice thereof given by Mr. Staresinic;
- (b) A reduction by the Corporation of Mr. Staresinic's base salary or bonus opportunity, or any failure by the Corporation to pay any portion of Mr. Staresinic's compensation in accordance with the terms of Mr. Staresinic's employment agreement, other than an isolated, insubstantial or inadvertent failure not occurring in bad faith and which is remedied by the Corporation within at least 30 calendar days after receipt of written notice thereof given by Mr. Staresinic;
- (c) The Corporation requiring Mr. Staresinic to work from a designated physical office location on a permanent basis other than one mutually agreed to;
- (d) Any material breach of Mr. Staresinic's employment agreement by the Corporation; or
- (e) Any other circumstance or event that gives rise to Mr. Staresinic's constructive dismissal pursuant to the common law or the *Employment Standards Act, 2000* (as amended).

Luis Vega, CEO of MTV

MTV entered into an employment agreement with Luis Vega on October 2, 2017. Mr. Vega is entitled to compensation for the provision of management services in the amount of US\$298,008 per year. Mr. Vega is also eligible to an additional annual bonus of up to 60% of his annual base salary which is payable upon the achievement of certain performance related targets including, but not limited to, safety, compliance, cash flows and profits.

In the event of termination without cause, Mr. Luis is entitled to 12 months of base salary paid monthly and in the event of a Change of Control of MTV (defined below), MTV will pay an additional 12 months of remuneration based on the average remuneration received by Mr. Luis over the previous 24 months of employment.

A Change of Control of MTV means the acquisition by a person or entity of more than 50% of the outstanding shares of MTV.

Summary of Termination Payments

The estimated incremental payments, payable and benefits that might be paid to the NEO pursuant to the above noted agreements in the event of termination without cause or after a Change of Control or for Good Reason as at December 31, 2020 are detailed below:

Name	Termination not for cause (\$)	Termination on a Change of Control or for Good Reason ⁽¹⁾ (\$)
Michael Staresinic		
Base Salary	750,000	1,125,000
Bonus	169,000	169,000
Other ⁽²⁾	63,021	73,017
Total	982,021	1,367,017
Luis Vega		
Base Salary	399,778	799,556
TOTAL	1,381,799	2,166,573

Notes:

- (1) Termination for Good Reason is only applicable to Mr. Staresinic.
- (2) Consists of continuation of benefits, career counselling and accrued and unpaid vacation.

DIRECTOR COMPENSATION

The Corporate Governance, Compensation and Nominating Committee recommends, and the Board approves, the compensation of the independent directors of the Corporation. The Corporate Governance, Compensation and Nominating Committee believes that the independent directors of the Corporation should be compensated in a form and amount which is appropriate and which is customary for comparable organizations, having regard for such matters as time commitment, responsibility and trends in director compensation.

Effective July 1, 2020, independent directors of the Corporation and Mr. Lyons were entitled to the following compensation for serving on the Board and the standing committees of the Board. Prior to June 23, 2020, Mr. Lyons was an independent director and on June 23, 2020, Mr. Lyons became the interim CEO of the Corporation.

- Annual retainer fee of the Board for each independent director and Mr. Lyons: \$50,000 (a director of the Corporation who serves as the Chair of the Board receives an additional annual retainer fee of \$25,000, for a total annual retainer fee of \$75,000).
- Annual retainer fee for the lead director: \$10,000 (where the Chair of the Board is not independent, an independent director to act as the effective leader of the Board and ensure the Board's agenda will enable it to successfully carry out its duties).
- Annual retainer fee for each independent director serving on the Audit Committee: \$5,000 (the Chair of this committee receives an additional annual committee retainer fee of \$5,000, for a total annual committee retainer fee of \$10,000).
- Annual retainer fee for each independent director serving on the Corporate Governance, Compensation and Nominating Committee: \$5,000 (the Chair of this committee receives an additional annual committee retainer fee of \$2,500, for a total annual committee retainer fee of \$7,500).
- Annual retainer fee for each independent director serving on the Environment, Health and Safety Committee: \$3,000 (the Chair of this committee receives an additional annual committee retainer fee of \$2,000, for a total annual committee retainer fee of \$5,000).
- A one-time stock option award of 300,000 Options.
- Reimbursement for travel expenses relating to meeting attendance.
- No meeting fees.

- Effective January 1, 2021, one half of the annual retainer fee of the Board is paid in cash-settled deferred stock units.

For the period January 1, 2020 to June 30, 2020, independent directors of the Corporation were entitled to the following compensation for serving on the Board and the standing committees of the Board.

- Annual retainer fee of the Board for each independent director: \$50,000 (an independent director of the Corporation who serves as the Chair of the Board receives an additional annual retainer fee of \$25,000, for a total annual retainer fee of \$75,000).
- Annual retainer fee for each independent director serving on the Audit Committee: \$10,000 (the Chair of this committee receives an additional annual committee retainer fee of \$10,000, for a total annual committee retainer fee of \$20,000).
- Annual retainer fee for each independent director serving on the Compensation Committee, the Conflict Resolution, Corporate Governance and Nominating Committee and the Environment, Health and Safety Committee: \$5,000 (the Chairs of each of these committees receives an additional annual committee retainer fee of \$5,000, for a total annual committee retainer fee of \$10,000).
- An annual equity award of \$75,000.
- Reimbursement for travel expenses relating to meeting attendance.
- No meeting fees.

Directors may also, from time to time, receive further retainers and/or meeting fees for participation on ad hoc committees of the Board. An ad hoc special committee was established on February 11, 2019 to review and evaluate potential measures to address the Corporation's market valuation (the "**Special Committee**"). On February 18, 2020, the Corporation announced that the Special Committee had been dissolved but its strategic review continues at the Board level. The conclusion of the Special Committee was to complete a transition to focus the Corporation's investment thesis as a pure-play copper-mining company, to continue to pursue alternatives to divesting its portfolio of investments in order to further support MTV and to continue to look for strategic alternatives for the Corporation.

Equity Ownership Policy for Independent Directors

The Corporate Governance, Compensation and Nominating Committee has determined that future equity awards to independent directors will be made pursuant to the Rolling Option Plan or EPSP. If the LTIP Plan Resolution is approved by shareholders at the Meeting, the compensation program may also include other long-term security-based Awards.

The Board adopted an equity ownership policy for independent directors (the "**Ownership Policy**") effective February 9, 2017. The objective of the Ownership Policy is to ensure that each independent director of the Corporation holds a meaningful equity ownership interest in the Corporation. The Corporation believes that equity ownership by independent directors focuses the attention of independent directors on the long-term interests of the Corporation and its shareholders and also aligns the interests of independent directors with that of the Corporation's shareholders. Pursuant to the Ownership Policy, each independent director is required during his or her term of office as a director to hold Common Shares with an aggregate cost of not less than five times the annual retainer awarded to each independent director. The current independent directors of the Corporation were required to comply with the Ownership Policy by no later than February 9, 2021 (other than Mr. Smith as he became a director in 2018) and each new person assuming office as a director must comply with the Ownership Policy by no later than four years from the date of assuming office. If a director elects to receive all or part of his or her cash compensation in EPSP Shares, such EPSP Shares are counted towards compliance with the Ownership Policy. However, Common Shares issuable pursuant to any unexercised options held by a director are not counted towards compliance with the policy. The Corporate Governance, Compensation and Nominating Committee is responsible for monitoring and ensuring compliance with the Ownership Policy. As at December 31, 2020, each independent director was in compliance with the Ownership Policy.

Director Compensation Table

The following table provides information regarding compensation paid to individuals for services as a director of the Corporation during the financial year ended December 31, 2020.

Name	Fees Earned (\$) ⁽¹⁾	Share-based Awards (\$)	Option-based Awards (\$) ⁽²⁾⁽³⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$) ⁽⁴⁾
Lenard F. Boggio	100,000	—	27,585	—	—	—	127,585
Joan Dunne	90,250	—	27,585	—	—	—	117,835
Bo Liu	50,000	—	27,585	—	—	—	77,585
David Smith	84,000	—	27,585	—	—	—	111,585

Notes:

- (1) Includes fees for services on the Special Committee during 2020.
- (2) On August 12, 2020, the Corporation granted each of Messrs. Boggio, Smith, Liu and Ms. Dunne 300,000 Options.
- (3) The Corporation has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Corporation's financial statements. The fair value of the option-based awards for 2020 was determined using the following assumptions: risk-free rate of 0.41%, forfeiture rate of nil, vesting period of one year, expected dividend yield of nil, expected share price volatility of 40% and expected life of five years. These values represent the calculated Black-Scholes theoretical value of granted options. It is important to note that these granted options may or may not ever be exercised. Whether granted options are exercised or not will be based primarily, but not singularly, on the Corporation's future stock price and whether the granted options become "in-the-money". If these granted options are unexercised and expire, the cash value or benefit to the above noted individuals is \$nil.
- (4) Does not include amounts paid as reimbursement for expenses.
- (5) Terrence Lyons, Interim CEO effective June 23, 2020, also served as a director of the Corporation. Mr. Lyons' compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs.
- (6) Michael Staresinic, President and CFO, also served as a director of the Corporation. Mr. Staresinic's compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs. Mr. Staresinic did not receive any additional compensation from the Corporation or any other entity for serving as a director of the Corporation.
- (7) Mr. Andrew Stronach and Mr. Rick Rule did not stand for re-election on June 23, 2020 as a result of the termination of the MSA. Their services were provided by SCLP under the MSA. Messrs. Stronach and Rule received no compensation from the Corporation, SCLP or any other entity for serving as a director of the Corporation from January 1, 2020 to June 23, 2020.

Option-Based Awards and Share-Based Awards

Outstanding Option-Based Awards and Share-Based Awards

The following table provides information regarding all option-based and share-based awards to each of the Corporation's directors outstanding as of December 31, 2020, including awards granted and EPSP Shares designated for the accounts of the Corporation's directors before the financial year ended December 31, 2020.

Name ⁽³⁾	Option-Based Awards				Share-Based Awards		
	Number of Securities underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Shares or Units of Shares that have not Vested	Market or Payout Value of Share-Based Awards that have not vested (\$) ⁽²⁾	Market or Payout Value of Vested Share-Based Awards not Paid or Distributed (\$) ⁽²⁾
Lenard F. Boggio	300,000	0.31	August 12, 2030	—	82,982	24,065	74,091
Joan Dunne	300,000	0.31	August 12, 2030	—	82,982	24,065	72,429
Bo Liu	300,000	0.31	August 12, 2030	—	—	—	—
David Smith	300,000	0.31	August 12, 2030	—	—	—	120,323

Notes:

- (1) Calculated as the difference (if positive) between the December 31, 2020 closing price on the TSX of \$0.29 per Common Share and the exercise price of the Options.
- (2) Calculated based on a December 31, 2020 closing price on the TSX of \$0.29 per Common Share.
- (3) On August 12, 2020, the Corporation granted each of Messrs. Boggio, Liu, Smith and Ms. Dunne 300,000 stock options.
- (4) Terrence Lyons, Interim CEO effective June 23, 2020, also served as a director of the Corporation. Mr. Lyon's compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs.
- (5) Michael Staresinic, President and CFO, also served as a director of the Corporation. Mr. Staresinic's compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs. Mr. Staresinic did not receive any additional compensation from the Corporation or any other entity for serving as a director of the Corporation.
- (6) Mr. Andrew Stronach and Mr. Rick Rule did not stand for re-election on June 23, 2020 as a result of the termination of the MSA. Their services were provided by SCLP under the MSA. Messrs. Stronach and Rule received no compensation from the Corporation, SCLP or any other entity for serving as a director of the Corporation from January 1, 2020 to June 23, 2020.

Value Vested or Earned Under Incentive Plan Awards During the Financial Year ended December 31, 2020

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each of the directors for the financial year ended December 31, 2020.

Name	Option-based Awards - Value Vested During the Year (\$) ⁽¹⁾	Share-based Awards - Value Vested During the Year (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation - Value Earned During the Year (\$)
Lenard F. Boggio	—	50,719	—
Joan Dunne	—	50,719	—
Bo Liu	—	—	—
David Smith	—	120,323	—

Notes:

- (1) Calculated as the aggregate value that would have been realized if the Options which vested during the year ended December 31, 2020 were exercised on the vesting date thereof. None of the Options granted which vested during the year ended December 31, 2020 were in-the-money at the time of vesting.
- (2) Summarizes the aggregate value of those share-based awards that vested during the year ended December 31, 2020 that would have been realized if EPSP Shares had been sold on their vesting date during the year ended December 31, 2020.
- (3) Terrence Lyons, Interim CEO effective June 23, 2020, also served as a director of the Corporation. Mr. Lyon's compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs.
- (4) Michael Staresinic, President and CFO, also served as a director of the Corporation. Mr. Staresinic's compensation in respect of the Corporation is fully disclosed in the Summary Compensation Table above dealing with compensation for the NEOs. Mr. Staresinic did not receive any additional compensation from the Corporation or any other entity for serving as a director of the Corporation.
- (5) Mr. Andrew Stronach and Mr. Rick Rule did not stand for re-election on June 23, 2020 as a result of the termination of the MSA. Their services were provided by SCLP under the MSA. Messrs. Stronach and Rule received no compensation from the Corporation, SCLP or any other entity for serving as a director of the Corporation from January 1, 2020 to June 23, 2020.

Equity-Based Anti-Hedging Policy

The directors are subject to the Share Trading Policy. See "*Executive Compensation - Equity-Based Anti-Hedging Policy*".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth certain information as at December 31, 2020 regarding the equity compensation plans of the Corporation pursuant to which Common Shares may be issuable from the Corporation's treasury:

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 common shares reflected in column (a)] (c)
Equity compensation plans approved by security holders - the Rolling Option Plan	2,400,000	\$0.31	1,008,304
Equity compensation plans not approved by security holders	Nil.	Nil.	Nil.
Total	2,400,000	\$0.31	1,008,304

Rolling Option Plan

The Rolling Option Plan has been amended to reflect certain housekeeping amendments required by the TSXV. The aggregate number of Common Shares reserved for issuance upon the exercise of all Options granted under the Rolling Option Plan together with the Common Shares issuable under all other securities based compensation arrangements shall not exceed 10% of the issued and outstanding Common Shares as at the date of such grant (as of the date hereof, 3,001,304 Common Shares, representing 5.5% of the issued and outstanding Common Shares remain available to grant). As a result, if the Corporation issues additional Common Shares in the future, the number of Common Shares issuable under the Corporation's securities based compensation arrangements will increase accordingly. If any Option is terminated, cancelled or has expired without being fully exercised, any unissued Common Shares which have been reserved to be issued upon the exercise of the Option shall become available to be issued upon the exercise of Options subsequently granted under the Rolling Option Plan. In addition, if any Option is exercised, an equivalent number of Common Shares may be reserved for issuance pursuant to the grant of additional Options in replacement for such exercised options. No fractional Common Shares may be purchased or issued under the Rolling Option Plan.

The Corporation's "burn rate" (calculated by dividing the number of awards granted during the applicable year, by the weighted average number of basic securities outstanding for the applicable year) under the Rolling Option Plan for 2020 was 7.2% and Common Shares issuable pursuant to Options outstanding under the Rolling Option Plan represent 3.0% of the issued and outstanding Common Shares.

The Corporation has established the Rolling Option Plan for the benefit of full-time and part-time employees, directors, officers and service providers (each, an "**Eligible Person**") of the Corporation and affiliated companies, which may be designated from time to time by the Board.

The Board shall have the power, where consistent with the general purpose and intent of the Rolling Option Plan:

- a. to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Rolling Option Plan;
- b. to interpret and construe the Rolling Option Plan and to determine all questions arising out of the Rolling Option Plan or any option, and any such interpretation, construction or determination made shall be final, binding and conclusive for all purposes;
- c. to determine the number of Common Shares underlying each Option;
- d. to determine the Option Price (as defined in the Rolling Option Plan) of each Option;
- e. to determine the time or times when Options will be granted and exercisable;
- f. to determine if the Common Shares which are issuable on the exercise of an Option will be subject to any restrictions upon the exercise of such Option;

- g. to determine vesting periods for the Options; and
- h. to prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

The Option Price of each Option shall be determined by the Board and shall be granted at the "Option Market Price" (as defined below) or "Discounted Market Price" (as defined in TSXV Policy 1.1 - Interpretation) on the date on which the Board approves the grant of the option and no option term shall exceed 10 years. For purposes of the Rolling Option Plan, Market Price means, as at any date, (i) the volume weighted average trading price of the Common Shares on the TSXV (or, if the Common Shares are not then listed and posted for trading on the TSXV, on such stock exchange in Canada on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Board) for the five consecutive trading days immediately preceding such date, provided that in the event that the Common Shares did not trade on any of such trading days, the Option Market Price shall be the average of the bid and ask prices in respect of the Common Shares at the close of trading on all of such trading days and provided that in the event that the Common Shares are not listed and posted for trading on any stock exchange, the Option Market Price shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, or (ii) the prior day's closing price of the Shares listed on the TSXV.

The Board fixes the vesting terms it deems appropriate when granting Options under the Rolling Option Plan. If an Option would otherwise expire during a blackout period or within ten business days following the end of such period, the expiry date of the Option will be automatically extended to the tenth business day following the end of the blackout period. The Options are subject to earlier termination under certain circumstances, including up to 180 days following death and up to 90 days following ceasing to be an employee, officer or director. Options and rights related thereto held by an optionee are not assignable or transferable except to a related Eligible Corporation (as defined in the Rolling Option Plan) or on the death of the optionee.

The Board may amend, suspend or discontinue the Rolling Option Plan or amend Options granted under the Rolling Option Plan at any time without shareholder approval; provided, however, that:

- a. shareholder approval shall be obtained for any: (i) amendment for which, under the requirements of the TSXV or any applicable law, shareholder approval is required; (ii) increase to the maximum percentage of securities issuable under the Rolling Option Plan; (iii) reduction of the Option Price, or cancellation and reissuance of Options or other entitlements, of Options granted under the Rolling Option Plan, and in the case of a reduction of the Option Price for Options granted to Insiders, disinterested shareholder approval shall be required; (iv) extension of the term of Options beyond the original Expiry Date (as defined in the Rolling Option Plan); or (v) amendment to the Rolling Option Plan's amendment provisions; and
- b. the consent of the optionee is obtained for any amendment which materially adversely affects the optionee's rights with respect to, or impairs any option previously granted to an optionee under the Rolling Option Plan.

No amendment, suspension or discontinuance of the Rolling Option Plan may contravene the requirements of the TSXV or any securities commission or regulatory body to which the Rolling Option Plan or the Corporation is or may be subject.

No options shall be granted to any optionee under the Rolling Option Plan if, at the time of such grant, such grant could result, at any time, in: (i) the number of Common Shares reserved for issuance to Insiders (as defined in the Rolling Option Plan) pursuant to options under the Rolling Option Plan, together with Common Shares reserved for issuance to Insiders under all other securities based compensation arrangements exceeding 10% of the issued and outstanding Common Shares; (ii) the issuance to Insiders, within a one-year period, of a number of Common Shares under the Rolling Option Plan, together with Common Shares that may be issued to Insiders under all other securities based compensation arrangements exceeding 10% of the issued and outstanding Common Shares; (iii) any one optionee acquiring more than 5% of the issued and outstanding Common Shares (calculated as at the time of the grant of such Options) in any 12-month period unless the Corporation has obtained disinterested shareholder approval in connection therewith; (iv) any one consultant optionee acquiring more than 2% of the issued and outstanding Common Shares (calculated as at the time of the grant of such Options) in any 12-month period; and (v) the aggregate number of Options granted to optionees conducting Investor Relations Activities (as such term is defined in the policies of the TSXV) exceeding 2% of the issued and outstanding Common Shares (calculated as at the time of the grant of such Options) in any 12-month period.

The equity award value (based on grant date fair value) of any grants of options to Non-Employee Directors (as defined in the Rolling Option Plan) under the Rolling Option Plan shall not exceed \$100,000 to each Non-Employee Director per year.

EPSP

Participation in the EPSP is limited to the Corporation's directors and eligible full-time employees of the Corporation and any affiliated entity which has adopted the EPSP (collectively, the "**Members**"). The Corporation and such affiliated entities are collectively referred to as the "**Participating Entities**".

The selection of Members (other than the Corporation's directors, who are deemed to be Members under the EPSP) and the specific terms of any benefits granted to a Member, including the number of EPSP Shares, vesting schedule and timing of distributions (after discharge of debt owing in respect of EPSP Shares) in cash or Common Shares will be determined by the Corporate Governance, Compensation and Nominating Committee or other controlling person of a Participating Entity, as applicable. Management of the Corporation is responsible for administering the EPSP.

Pursuant to the EPSP, Common Shares may be purchased in the open market or from a third party by the independent trustee(s) under the EPSP (the "**Trustee**") and the Common Shares so purchased shall be designated for the account of the particular Member in accordance with the Corporation's written direction. The Member shall have no interest in nor entitlement to such Common Shares until such time as the Common Shares have been distributed to him or her or disposed of by the EPSP, in accordance with the terms of the EPSP and the Member's applicable employment or other contract entitling him or her to benefits under the EPSP (the "**Members' Contract**"). All or a part of the EPSP Shares in a Member's account will vest in the Member from time to time in accordance with the Member's Contract. From time to time the Trustee will, upon written direction from the Corporation, allocate to the Member the contributions, profits, capital gains and capital losses incurred, realized, received or accrued in respect of the vested EPSP Shares in the Member's account. Subject to the terms of the Members' Contract and the *Income Tax Act* (Canada) ("**Tax Act**"), distributions of allocated cash or EPSP Shares, may be made to the Member at any time upon the written direction of the Corporation provided that the Trustee shall distribute only the net amount available for distribution to the Member and only upon the discharge of any debt owing by the EPSP trust in respect of the EPSP Shares at the time of distribution. Any applicable taxes or interest shall be the sole responsibility of the Members.

In the event that a Member's employment with a Participating Entity is terminated for cause or, if the Member's Contract provides for forfeiture as a result of the Member resigning employment to provide services to a competitor, all EPSP Shares unvested, vested and allocated to the Member under the EPSP shall be forfeited and the amounts thereof shall be reallocated to the other Members of the EPSP at the end of the taxation year of the EPSP trust as the Corporation shall direct.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As at the date of this Circular, and during the financial year ended December 31, 2020, no director or executive officer of the Corporation or Nominee (and each of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Corporation or its subsidiaries, or (ii) any other entity which is, or was at any time during the financial year ended December 31, 2020 the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Circular, or otherwise not required to be disclosed herein, no "informed person" or nominee for election as a director of the Corporation, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries. The term "informed person" as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* means (i) director or officer of the Corporation; (ii) a director or executive officer or a person or corporation that is itself an informed person or subsidiary of the Corporation; (iii) any person or corporation who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or corporation as underwriter in the course of a distribution; and (iv) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any such securities.

MANAGEMENT CONTRACTS

The Management Services Agreement ("MSA")

The MSA was most recently amended effective March 2, 2020, to update the various sections of the then-current agreement dated March 2, 2018. Specifically, the Management Services Fee was temporarily reduced and the notice period to terminate the MSA changed to three (3) months from twelve (12) months. The MSA was terminated effective June 23, 2020.

Under the MSA, SCLP managed or, subject to certain restrictions, engaged others to manage, all of the undertaking, affairs and assets of the Corporation and provided all necessary or advisable administrative services and facilities. Without limiting the generality of the foregoing, under the terms of the MSA, subject to the directions and orders of the Corporation from time to time, SCLP was responsible for:

- (a) administering the day-to-day business and affairs of the Corporation, including identifying and making investment decisions relating to the Corporation (in consultation with the Corporation), the preparation of all written and printed material for distribution to shareholders of the Corporation and assisting the Corporation in compliance with securities laws, applicable stock exchange matters or other applicable regulatory matters;
- (b) providing all internal accounting, asset valuation (in consultation with the Corporation), audit and legal services in respect of the Corporation and other usual and ordinary office services as may be necessary;
- (c) nominating at least four separate individuals to serve in the following capacities: two as directors of the Corporation, one as a director, President and CEO of the Corporation, and one as CFO of the Corporation;
- (d) providing services in respect of the Corporation's daily operations;
- (e) distributing all securities which the Corporation may decide to issue during the term of the MSA and to take all actions as SCLP reasonably considers necessary or desirable in the sale of securities of the Corporation;
- (f) authorizing payment on behalf of the Corporation of expenses incurred on behalf of the Corporation and negotiating contracts with third-party providers of services;
- (g) maintaining the books and records of the Corporation and supervising compliance by the Corporation with record-keeping requirements under applicable law;
- (h) dealing with banks, insurance companies and custodians, including the maintenance of bank records and the negotiation and securing of bank financing or refinancing and insurance policies;
- (i) monitoring relationships with the custodians, registrar and transfer agents, auditors, legal counsel, insurance agents and other organizations or professionals serving the Corporation;
- (j) from time to time, or when requested by the Corporation, making reports to the Corporation and/or its shareholders of SCLP's performance of the services provided under the MSA;
- (k) preparing accounting, management and other reports, including reports of the Corporation's performance to shareholders, interim and annual reports to shareholders and financial statements;
- (l) providing all other administrative services and facilities required by the Corporation in relation to its shareholders, including the preparation for and holding of meetings of shareholders; and
- (m) providing such other managerial and administrative services and carrying out such other duties as may be reasonably required for the ongoing business and administration of the Corporation.

In consideration for the management and administrative services provided by SCLP to the Corporation pursuant to the MSA, the Corporation was required to pay SCLP, in respect of each fiscal quarter, a management services fee (the "**Management Services Fee**") equal to 0.5% of the Quarterly Net Asset Value for such fiscal quarter (other than for each of the Corporation's fiscal quarters in the year ended December 31, 2020 where the Management Services Fee was reduced to only cover some of the direct costs of SCLP-management), less the total remuneration paid directly by the Corporation to all persons nominated by SCLP as employees, officers or directors of the Corporation who provided investment management services to the Corporation (the "**Management Personnel**") but excluding any expenses recorded as a result of the granting of stock options under the Corporation's stock option plan for such fiscal quarter. The MSA also provided that, to the extent that the Quarterly Net Asset Value for a fiscal quarter was in excess of \$1 billion, the Management Services Fee would be reduced to 0.375%. The "**Quarterly Net Asset Value**" in respect of a fiscal quarter of the Corporation was the amount equal to the average of the Net

Asset Value as at the end of such fiscal quarter and the Net Asset Value as at the end of the immediately preceding fiscal quarter. The Corporation was also responsible for all reasonable expenses incurred by SCLP in connection with its duties pursuant to the MSA provided that the Corporation did not pay the rent and customary investment management services expenses of the Management Personnel.

The MSA also provided that, if and to the extent that SCLP was requested in writing by the Board to render services to the Corporation other than those required to be rendered pursuant to the MSA, such additional services and activities would be compensated for separately and would be on such terms that are generally no less favourable to the Corporation than those available from arm's length parties (within the meaning of the Tax Act) for comparable services. In addition to the Management Services Fee payable to SCLP pursuant to the MSA, the Corporation was responsible for paying all fees and expenses incurred in connection with the operation and administration of its business.

Under the MSA, the Adjusted Annual Operating Expenses were to not exceed 3% of the Annual Net Asset Value in respect of fiscal years commencing with the Corporation's fiscal year ended December 31, 2018 and thereafter (the "**Maximum Adjusted Annual Operating Expenses**"). Where such Adjusted Annual Operating Expenses exceeded the Maximum Adjusted Annual Operating Expenses (unless otherwise consented to by the Board), the Management Services Fee payable by the Corporation to SCLP in respect of the last quarterly payment to be made in respect of such fiscal year would be reduced to ensure the Adjusted Annual Operating Expenses were equal to (or, in any case, did not exceed) the applicable Maximum Adjusted Annual Operating Expenses. For the period ended June 23, 2020, the Corporation's annualized Adjusted Annual Operating Expense was less than 3% and no adjustment was required to the Management Services Fee payable for the period ended June 23, 2020. "**Annual Net Asset Value**" means, in respect of a fiscal year, the average of each Quarterly Net Asset Value for such fiscal year. "**Adjusted Annual Operating Expenses**" means for any fiscal year the Management Services Fee calculated in accordance with Section 5 of the MSA, *plus* the other general and administrative expenses incurred in connection with the operation and administration of the Consolidated Corporation as set forth in this Agreement, *less*: (i) costs resulting from servicing debt of the Consolidated Corporation; (ii) costs incurred in the purchasing or selling of the Consolidated Corporation's direct or indirect investments; (iii) initial and ongoing expenses recorded as a result of the granting of stock options under the Corporation's stock option plan other than those granted to directors of the Corporation; (iv) mark-to-market stock-based compensation paid by the Consolidated Corporation; (v) any taxes imposed on the Consolidated Corporation by government authorities; and (vi) any other amounts as approved by the Corporate Governance, Compensation and Nominating Committee. "**Consolidated Corporation**" means the Corporation and its non-operating subsidiaries.

Pursuant to the MSA, SCLP agreed to exercise, and to ensure that its nominees exercised, the powers granted and discharged its, and their, duties under the MSA honestly, in good faith and in the best interests of the Corporation and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent manager, or Person, would exercise in comparable circumstances. Subject to the duty of an affiliate to offer opportunities it identifies to its client(s), unless the Board otherwise permitted, all suitable opportunities coming to the attention of SCLP or its affiliates to make private equity investments in the natural resource sector were to first be offered to the Corporation.

Pursuant to the MSA, the Corporation agreed to indemnify SCLP and its directors and officers, among others, in respect of certain losses and claims, subject to prescribed exceptions.

For the period ended June 23, 2020, the Corporation paid or accrued to SCLP a Management Services Fee of \$0.2 million thousand for services SCLP rendered to the Corporation in accordance with the terms of the applicable MSA. No termination payments were or are payable by the Corporation to SCLP in connection with termination of the MSA.

As disclosed by the Corporation in a press release, SCLP and the Corporation entered into the TSA pursuant to which the MSA terminated effective June 23, 2020 (the "**Termination Date**"). Pursuant to the TSA, the Corporation changed the name of the Corporation and its affiliates, as applicable, to one which did not include the word "Sprott" or any words similar thereto. In addition, the TSA provided for: (i) the Corporation and SCLP to cooperate prior to the Termination Date with respect to the transition of employee benefit programs and migration of the Corporation's website; and (ii) SCLP to provide certain transitional services following the Termination Date until no later than December 31, 2020, including physical office workspace and infrastructure for certain of the Corporation's representatives, computer software, network and telecom services, executive administrative support, access to certain Sprott executives for the purpose of asking questions and soliciting views related to the previously provided management services and the Corporation's assets, and certain other office function related support. The foregoing summary of the TSA is qualified in its entirety by reference to the TSA, a copy of which has been filed and is available under the Corporation's SEDAR profile at www.sedar.com.

Other

None of SCLP or its associates or affiliates has been indebted to the Corporation or its subsidiaries since January 1, 2020.

Aside from the transactions described in this Circular, none of SCLP or its associates or affiliates has had any significant transactions with the Corporation or its subsidiaries at any time since January 1, 2020.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board has adopted:

- a written mandate for the Board;
- a written charter for each of the Audit Committee, the Corporate Governance, Compensation and Nominating Committee and the Environment, Health and Safety Committee;
- a written code of business conduct and ethics (the "**Code**");
- a written position description for the CEO;
- a written position description for the Chair of the Board;
- a written position description for the lead director of the Board;
- a written majority voting policy for director elections;
- a written policy for pre-approval of audit and non-audit services;
- a written corporate disclosure policy;
- a written share trading policy;
- a written whistleblower policy;
- a written policy for investment approval authority limits;
- a written surplus cash investment policy;
- a written charitable donations and sponsorship policy;
- a written related party transactions policy;
- a written diversity policy;
- a written environmental and sustainability policy; and
- the Ownership Policy.

Board of Directors

Composition of the Board

The Board currently comprises six directors. The Board has concluded that four directors (Messrs. Boggio, Liu and Smith and Ms. Dunne), being a majority, are "independent" for purposes of board membership, as defined in the Canadian Securities Administrators' National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). As such, the Board is currently constituted with a majority of independent directors.

For all seven individuals (Messrs. Lyons, Boggio, Liu, Phillips, Smith and Staresinic and Ms. Dunne) nominated for election as directors of the Corporation at the Meeting, the Board has concluded that effective the date of the Meeting, five directors will be "independent" for purposes of board membership, as defined in NI 58-101. Mr. Lyons' intention is to not continue as interim CEO effective the date of the Meeting and only continue as Chair of the Board.

To facilitate its exercise of independent judgment in carrying out its responsibilities, the Board currently has a lead director and will have an independent Chair of the Board as of the date of the Meeting and has adopted policies and other informal mechanisms described elsewhere in this Circular, including at "*Statement of Corporate Governance Practices - Board of Directors - Board Meetings and Attendance*", "*Statement of Corporate Governance Practices - Board of Directors - Chair of the Board*", "*Statement of Corporate Governance Practices - Board Committees - Corporate Governance, Compensation and*

Nominating Committee" and *"Statement of Corporate Governance Practices - Ethical Business Conduct"*. Additionally, the Audit Committee and the Corporate Governance, Compensation and Nominating Committee are each composed entirely of "independent" directors.

Other Directorships

Certain nominees for election as a director of the Corporation are also directors of other public companies. Information as to such other directorships is set out in the chart below.

Director	Public Company
Lenard F. Boggio	Equinox Gold Corp. Pure Gold Mining Inc. Titan Mining Corporation Augusta Gold Corp.
Bo Liu	Noront Resources Ltd.
Terrence A. Lyons	Canaccord Genuity Group Inc. Martinrea International Inc. Mineral Mountain Resources Ltd.
David Smith	Canada Nickel Company Inc.

Board Meetings and Attendance

The Board meets regularly to review the activities and financial results of the Corporation and as necessary to review and consider significant impending actions of the Corporation.

The Board met formally eighteen times during 2020 and eight times between January 1, 2021 and April 22, 2021.

The independent directors of the Board did not hold regularly scheduled meetings at which non-independent directors and members of management were not in attendance. However, at each scheduled meeting, open and candid discussion among the independent directors was facilitated by the small size of the Board and the fact that the Chair of the Board was either independent at the time or the Corporation had a lead director. Additionally, the independent directors had the opportunity to hold ad hoc meetings that were not attended by the non-independent directors and members of management and they availed themselves of this opportunity, at their entire discretion, whenever they deemed necessary. At such ad hoc meetings, non-independent directors, executive officers who are not members of the Board and other guests attending these meetings were asked to withdraw for a certain period in order to allow the independent directors to discuss issues freely amongst themselves. In 2020, six such meetings were held (excluding meetings of the Special Committee). Further, the independent directors of the Board had informal discussions amongst themselves outside of formal Board meetings as the need arose and, when determined to be appropriate by the independent directors, matters considered in such discussions were raised at the next formal Board meeting.

The attendance record of each director for all meetings of the Board and its standing committees held during the year ended December 31, 2020 was as follows:

Name	Board Meetings (Attended/Held)	Audit Committee Meetings (Attended/Held)	Corporate Governance, Compensation and Nominating Committee Meetings (Attended/Held) ⁽²⁾	Compensation Committee Meetings (Attended/Held) ⁽²⁾	Conflict Resolution, Corporate Governance and Nominating Committee Meetings (Attended/Held) ⁽²⁾	Environment, Health and Safety Committee (Attended/Held)
Lenard F. Boggio	18/18	5/5	1/1	1/1	3/3	~
Joan E. Dunne	17/18	5/5	1/1	1/1	2/3	4/4
Michael Harrison ⁽¹⁾	8/8	~	~	~	~	~
Bo Liu	13/18	~	~	~	~	~
Terrence A. Lyons	18/18	~	1/1	1/1	3/3	4/4
Arthur Richards Rule IV ⁽¹⁾	8/8	~	~	~	~	~
David Smith	18/18	5/5	~	~	~	4/4
Michael Staresinic	18/18	~	~	~	~	~
Andrew Stronach ⁽¹⁾	8/8	~	~	~	~	~

Notes:

- (1) Messrs. Harrison, Rule and Stronach did not stand for re-election as a result of the termination of the MSA on June 23, 2020.
(2) The Compensation Committee and Conflict Resolution, Corporate Governance and Nominating Committees were dissolved as a result of the termination of the MSA and reconstituted as the Corporate Governance, Compensation and Nominating Committee on June 25, 2020.

Chair of the Board

The Chair of the Board is currently Terrence A. Lyons.

The Board has adopted a position description for the Chair of the Board. The Chair's key responsibilities include duties relating to: overseeing the operations and affairs of the Board; providing leadership to foster the effectiveness of the Board; ensuring there is an effective relationship between the Board and senior management of the Corporation; ensuring that appropriate structures and procedures are in place so that the Board may function independently of management; recommending, where necessary, the holding of meetings of independent directors; leading the process by which the independent directors seek to ensure that the Board represents and protects the interest of the Corporation's securityholders; ensuring the directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board; and chairing all meetings of the Board and shareholders.

See also "*Position Descriptions*" below.

Board Mandate

The mandate of the Board is to supervise the management of the business and affairs of the Corporation and to act in the best interests of the Corporation. The Board discharges its responsibilities either directly or through the Audit Committee, the Corporate Governance, Compensation and Nominating Committee or the Environment, Health and Safety Committee. The Board approves all significant decisions that affect the Corporation before they are implemented and is ultimately responsible for the approval and implementation of the Corporation's strategic plan. The text of the Board's mandate is set out in Appendix "A" to this Circular.

Board Committees

The Board currently has three standing committees (each a "**Committee**"): the Audit Committee, the Corporate Governance, Compensation and Nominating Committee and the Environment, Health and Safety Committee. Two out of three of these Committees are presently composed entirely of "independent" directors with the Environment, Health and Safety Committee expected to be composed entirely of "independent" directors effective the Meeting date upon Mr. Lyons' resignation as Interim CEO of the Corporation. Each of these Committees has enacted a charter, as approved by the Board. The Board may establish other ad hoc committees from time to time for specific initiatives. On February 11, 2019 the Corporation announced the establishment of the Special Committee comprised solely of independent directors (Messrs. Boggio, Lyons (Chair) and Smith

and Ms. Dunne) to review and evaluate potential measures to address the Corporation's market valuation. On February 14, 2020, the Special Committee was dissolved.

Audit Committee

Currently, the Audit Committee is composed of the following three directors: Messrs. Boggio (Chair) and Smith and Ms. Dunne. All three members are considered "independent" and "financially literate" (as such terms are defined in National Instrument 52-110 - *Audit Committees*). The education and experience of each member of the Audit Committee that is relevant to his or her performance of responsibilities as an audit committee member are noted in each such person's biography at "*Business of the Meeting - Election of Directors*" and also at "*Statement of Corporate Governance Practices - Corporate Governance, Compensation and Nominating Committee*".

The Audit Committee is responsible for, among other things:

- reviewing the annual financial statements and the interim financial statements, management's discussion and analysis and related news releases and recommending their approval by the full Board;
- reviewing the proposed audit plan and proposed audit fees;
- evaluating the performance of the external auditors and recommending the appointment and compensation of the independent accountants;
- identifying the principal business risks and reviewing related risk management policies; and
- pre-approving all non-audit services.

The Board has adopted a charter for the Audit Committee which sets out the mandate and purpose of the Audit Committee, as well as its duties and responsibilities. A copy of the Corporation's Audit Committee Charter is set out in Appendix "A" in the Corporation's Annual Information Form dated March 3, 2021.

Corporate Governance, Compensation and Nominating Committee

The Corporate Governance, Compensation and Nominating Committee is composed of the following three directors: Ms. Dunne (Chair) and Messrs. Boggio and Smith and, as such, is composed entirely of independent directors.

In addition to their general business background, senior management experience and involvement with other companies, each Corporate Governance, Compensation and Nominating Committee member also had experience on the Corporation's previous Conflict Resolution, Corporate Governance, and Nominating and Compensation Committees. The following experience of the members of such Committee was also relevant to their responsibilities and the members of such Committee drew upon this experience, as well as the skills gained with this experience, to enable them to make decisions on the suitability of the Corporation's compensation policies and practices.

Name	Education and Experience
Joan Dunne, ICD.D (Chair)	Ms Dunne currently serves as a Director and Chair of the Audit Committee of Tundra Oil & Gas Limited, a private wholly-owned subsidiary of James Richardson & Sons, Limited. She was a member of the Board of Directors of the Capital Markets Authority Implementation Organization from 2016 to March 2021 and a director of Painted Pony Energy Ltd. from 2016 to 2020. Ms Dunne previously held the position of Vice President, Finance and Chief Financial Officer of Painted Pony Petroleum Ltd. and other resource companies prior to her retirement in 2013. She served as chair and member of CPA Canada's Canadian Performance Reporting Board and Small Company Advisory Group. Ms Dunne is a Chartered Professional Accountant, Chartered Accountant, holds the ICD.D designation from the Institute of Corporate Directors and has a Bachelor of Commerce degree from the University of Calgary. In March 2021, she was awarded the designation of Fellow Chartered Accountant for her distinguished service to the profession and community.

Name	Education and Experience
Lenard F. Boggio, ICD.D	Mr. Boggio is a retired partner of PwC, where he was the British Columbia leader of the firm's mining industry practice. He has significant expertise in financial reporting, auditing matters and transactional support, previously assisting, amongst others, clients in the mineral resource and energy sectors, including exploration, development and production stage operations in the Americas, Africa, Europe and Asia. Mr. Boggio currently serves as a director of Equinox Gold Corp., Pure Gold Mining Inc., Titan Mining Corporation and Augusta Gold Corp. He has a Bachelor of Arts Degree and an Honours Bachelor of Commerce Degree from the University of Windsor. In 1985 Mr. Boggio became a member of the CPA BC and was conferred with a Fellow's designation in 2007 by the ICABC for distinguished service to the profession and community. In 2018 he was awarded a Lifetime Achievement Award by the CPA BC for his outstanding lifetime of service to the profession and community. He is a past president of the ICABC and he is also a past Chair of the Canadian Institute of Chartered Accountants. Mr. Boggio holds the ICD.D designation from the Institute of Corporate Directors.
David Smith, C.DIR	Mr. Smith is the Senior Vice-President, Finance and CFO of Agnico and has held this position since 2012. Previously Mr. Smith held the position of Senior Vice-President, Strategic Planning and Investor Relations of Agnico. Prior to joining Agnico's investor relations team in 2005, Mr. Smith was a mining analyst and also held a variety of mining engineering positions, both in Canada and abroad. Mr. Smith is a Chartered Director and a Director of Canada Nickel Company Inc. He has a B.Sc. and M.Sc. in Mining Engineering from Queen's University in Kingston and the University of Arizona, respectively. Mr. Smith is also a Professional Engineer.

The Board has adopted a charter for the Corporate Governance. Compensation and Nominating Committee which sets out the mandate, purpose and powers of such Committee, as well as its duties and responsibilities. The Corporate Governance, Compensation and Nominating Committee is responsible for, among other things:

- reviewing the Corporation's overall compensation philosophy;
- evaluating the CEO's performance;
- in consultation with the CEO, overseeing the evaluation of the Corporation's senior officers and determining their compensation;
- reviewing and making recommendations with respect to director compensation;
- reviewing and making recommendations with respect to the adoption or amendment of incentive compensation plans;
- reviewing and making recommendations with respect to the adoption or amendment of equity-based compensation plans;
- reviewing executive compensation disclosure information before the Corporation publicly discloses the information;
- developing a long-term plan for the composition of the Board that takes into consideration the current strengths, competencies, skills, diversity and experiences of the Board, retirement dates and the strategic direction of the Corporation;
- undertake an annual examination of the size of the Board, with a view to determine the impact of the number of directors, the effectiveness of the Board and recommendations to the Board;
- recommending to the Board the remuneration to be paid to and the benefits to be provided to directors;
- monitoring conflicts of interests (real or perceived) of both the Board and management in accordance with the Code (as defined below);

- annually or as required, in consultation with the Chair of the Board and the CEO, recruiting and identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders;
- considering whether or not a new nominee to the Board can devote sufficient time and resources to his or her duties as a Board member;
- annually reviewing the effectiveness of the Board appointment/nomination process and senior management appointment process at achieving the Corporation's diversity objectives (see "*Statement of Corporate Governance Practices - Diversity on the Board and in Executive Officer Positions*" below);
- considering on an annual basis and, if determined advisable, recommending to the Board for adoption, measurable objectives for achieving diversity on the Board and in senior management;
- reviewing, monitoring and making recommendations regarding new director orientation and the ongoing development of existing directors;
- periodically reviewing the Corporation's corporate governance policies and formulating policy recommendations aimed at enhancing the Board's and Committees' effectiveness;
- review the disclosure in the Company's public disclosure documents relating to corporate governance practices;
- annually review the Board of Directors Mandate and the Charters of each Committee of the Board, together with the Position Descriptions of the CEO, Lead Director and Chair of the Board;
- recommending for approval by the Board with respect to succession planning for the CEO and other management; and
- reviewing investigations and any resolutions of complaints received under the Code and reporting annually to the Board thereon.

Environment, Health and Safety Committee

The Environment, Health and Safety Committee is composed of the following three directors: Messrs. Lyons (Chair) and Smith and Ms. Dunne. Up to June 23, 2020, this Committee was composed entirely of independent directors. Thereafter, two of the three Committee members were independent as Mr. Lyons became interim CEO effective June 23, 2020. This Committee is expected to be composed entirely of "independent" directors effective the Meeting date upon Mr. Lyons' resignation as Interim CEO of the Corporation.

The Board has adopted a charter for the Environment, Health and Safety Committee which sets out the mandate, purpose and powers of such Committee, as well as its duties and responsibilities. The Environment, Health and Safety Committee is responsible for, among other things:

- periodically reviewing environmental, health and safety policies ("**EHS Policies**") for the Corporation;
- reviewing and monitoring the management of the implementation of systems necessary for compliance with EHS Policies and applicable legislation, with the specific direction to bring any material non-compliance with such policies and legislation to the attention of the Board in a timely fashion;
- monitoring the effectiveness of EHS Policies, and the systems and monitoring processes which are in place to manage the safety and health of employees, contractors, visitors and the general public and to manage environmental impacts;
- receiving reports from management on significant environmental, health and safety issues;
- reviewing and monitoring the environmental, health and safety performance of the Corporation through regular updates by management;
- receiving regular updates from management regarding compliance with environmental, health and safety legislation, licenses, and the policies and systems in place to monitor such compliance; and
- reporting and, where appropriate, making recommendations to the Board with respect to environmental, health and safety matters.

Position Descriptions

The Board has developed written position descriptions for the CEO, Chair of the Board and Lead Director. The Board has not currently developed written position descriptions for the Chairs of the Committees because it believes that the roles and responsibilities of each such position are sufficiently delineated through the Committee charters. Each Committee Chair's role is to ensure that such Committee effectively assumes and follows its charter and, in consultation with the CEO and other senior officers, as necessary, such Chair sets the agenda for Committee meetings, chairs all Committee meetings, and encourages the input of all Committee members at such meetings.

See also "Chair of the Board" above.

Orientation and Continuing Education

To provide orientation to new directors regarding the role of the Board and its Committees, the Corporation provides the Board an on-line portal that includes a reference manual with corporate information, industry information, regulatory and governance updates, corporate policies, copies of its mandate and the charters of the Committees to new directors. To orient new directors on the nature and operation of the Corporation's business, the Board provides new directors with copies of the most recent public filings of the Corporation. New directors also meet with the CEO to review in detail the business of the Corporation. With respect to continuing education, the Board and the Corporate Governance, Compensation and Nominating Committee do not currently have a formal continuing education program. From time to time, the CEO meets with individual directors to update them on issues relating to the business, and, in between Board meetings, the CEO also provides updates (in writing and verbally) to the directors regarding the Corporation's business to ensure that the directors maintain the level of knowledge regarding the Corporation and its industry necessary for them to meet their obligations as directors. Directors are individually responsible for updating their skills necessary to meet their obligations as directors and the Corporation reimburses directors who opt to take third party provided continuing education courses. Several directors have either public company CEO experience or extensive experience on other boards.

Ethical Business Conduct

The Board has adopted a written Code that applies to all directors, officers and employees of the Corporation and its subsidiaries. A copy of the Code is available on the Corporation's website at www.srhi.ca and under the Corporation's profile on SEDAR at www.SEDAR.com. The Board is responsible for monitoring compliance with the Code. To facilitate this, the Code requires all Corporation personnel to promptly report any problems or concerns and any actual or potential violations of the Code to the CEO or, if that is not possible or does not resolve the matter, to the Chair of the Audit Committee. The Corporate Governance, Compensation and Nominating Committee will receive reports from the CEO regarding breaches of the Code, and will in turn report those breaches to the Board. The Corporate Governance, Compensation and Nominating Committee will review investigations and any resolutions of complaints under the Code and report annually to the Board thereon. Concerns or complaints can be reported on an anonymous basis in writing to the Chair of the Audit Committee. A waiver of the Code will be granted only in exceptional circumstances and by the Board only.

To ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest, the Code requires directors and executive officers who have a material interest in any transaction that the Corporation proposes to enter into, to disclose such interest to the Board and to comply with the applicable laws, rules and policies which govern conflicts of interest in connection with such transaction or agreement. The Corporate Governance, Compensation and Nominating Committee monitors conflicts of interest (real or perceived) of both the Board and management in accordance with the Code.

The Corporation's directors and officers are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the fact that the Corporation will rely upon such laws in respect of any director's or officer's conflicts of interest or in respect of breaches of duty by any of the Corporation's directors or officers. All such conflicts must be disclosed by such directors or officers in accordance with the *CBCA*, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Nomination of Directors

The Corporate Governance, Compensation and Nominating Committee, which is composed entirely of independent directors, in consultation with the Chair of the Board and the CEO, annually or as required, recruits and identifies individuals qualified to become new Board members and recommends to the Board new director nominees (other than the WISCO Nominee(s))

nominated by WISCO pursuant to the Subscription Agreement) for the next annual meeting of shareholders. Prior to nominating individuals as directors, the Corporate Governance, Compensation and Nominating Committee: (a) considers what competencies and skills the Board, as a whole, should possess; (b) assesses what competencies and skills each existing director possesses (including the personality and other qualities of each director); (c) reviews the qualifications of candidates suggested by members of the Board, shareholders, management and others and assesses what competencies and skills each new nominee will bring to the boardroom; (d) considers the appropriate size of the Board, with a view to facilitating effective decision-making; and (e) considers whether or not a new nominee can devote sufficient time and resources to his or her duties as a Board member.

In order to promote the Corporation's objective of gender diversity, the Corporate Governance, Compensation and Nominating Committee compiles a short-list identifying potential candidates for appointment/nomination that includes at least one female candidate for each available Board seat. If, at the end of the selection process, no female candidates are selected, the committee must satisfy itself that there are objective reasons to support this determination. Also see "*Statement of Corporate Governance Practices - Diversity on the Board and in Executive Officer Positions*" below.

At present, the full Board, in consultation with the Corporate Governance, Compensation and Nominating Committee, is responsible for nominating directors, other than the WISCO Nominee(s). In carrying out this process, the Board applies the same guidelines as the Corporate Governance, Compensation and Nominating Committee referred in points above.

Majority Voting for Election of Directors

The Board has adopted a policy regarding majority voting for the election of directors. This policy is described under the heading "*Business of the Meeting - Election of Directors*".

Compensation

For more information regarding compensation of the Corporation's Named Executive Officers, please see "*Statement of Executive Compensation - Compensation Discussion and Analysis*". For more information regarding compensation of the Corporation's Directors, please see "*Statement of Executive Compensation - Director Compensation*".

Board Assessment

The Corporate Governance, Compensation and Nominating Committee, in consultation with the Chair of the Board, is responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board, as a whole as well as its Committees, with a view to ensuring that they are fulfilling their respective responsibilities and duties. In connection with these evaluations, on an annual basis, each director is requested to provide his or her assessment of the effectiveness of the Board and each Committee as well as the performance of the individual directors. If appropriate, the Corporate Governance, Compensation and Nominating Committee then considers procedural or substantive changes to increase the effectiveness of the Board and its Committees and recommends that the Board approve any recommended changes.

In addition to the above formal process, the Board is sufficiently small to permit all directors to have input on matters on a regular basis and to informally assess the performance, effectiveness and contribution of directors of the Corporation throughout the year. When needed, time is set aside at a meeting of the Board for a discussion regarding the effectiveness of the Board and its Committees. If appropriate, the Board then considers procedural or substantive changes to increase the effectiveness of the Board and its Committees and oversees implementation of any desired changes. On an informal basis, the Chair of the Board is also responsible for reporting to the Board on areas where improvements can be made.

Director Term Limits and Other Mechanisms of Board Renewal

The Corporation has not adopted term limits for members of the Board, but facilitates Board renewal by assessing, annually or as required, potential candidates for nomination to the Board in light of, amongst other things, the competencies and skills possessed by each existing director and the appropriate size of the Board. See "*Statement of Corporate Governance Practices - Nomination of Directors*". In addition, the Board also facilitates Board renewal by reviewing and evaluating the performance and independence of directors and committees at least annually and seeking to foster a balance between new perspectives and the experience of seasoned Board members.

At present, the full Board, in consultation with the Corporate Governance, Compensation and Nominating Committee, is responsible for nominating directors, other than the WISCO Nominee(s).

Diversity on the Board and in Executive Officer Positions

The Board has adopted a written diversity policy, which recognizes that diversity is important to ensure that members of the Board and the Corporation's senior management provide the necessary range of perspectives, experience and expertise required to achieve the Corporation's objectives. The Corporation strives to meet its diversity objectives with respect to the other Board nominees and employees of the Corporation.

It is an objective of the Corporation's diversity policy that diversity be considered in determining the optimal composition of the Board and, when possible, the Board should be balanced appropriately. In reviewing Board composition and identifying suitable candidates for Board appointment or nomination for election to the Board, candidates will be selected based on merit and against objective criteria. Accordingly the Corporation does not have a formal target regarding women on the Board, but due regard will be given within the appointment or nomination process to the benefits of diversity in order to enable the Board to discharge its duties and responsibilities effectively.

The Corporation recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that women with the appropriate competencies and skills can play in contributing to diversity of perspective in the boardroom. Although the Corporation does not have a formal target regarding women on the Board, the selection process for new Board nominees, other than the WISCO Nominee(s), involves ensuring at least one female candidate is included on the short-list identifying potential Board nominees. If, at the end of the selection process, no female candidates are selected, the Corporate Governance, Compensation and Nominating Committee must be satisfied that there are objective reasons to support this determination. The Board currently has one female member, representing approximately 14% of the Board.

The Corporation has not currently adopted a written policy relating to identification and nomination of: (i) members of visible minorities; (ii) Aboriginal persons; or (iii) person with disabilities (collectively, the "**Designated Groups**") on the Board or in senior management positions; as it does not believe that doing so will necessarily result in the identification and selection of the most qualified candidates for these roles.

It is also an objective of the Corporation's diversity policy that diversity be considered in connection with succession planning and the appointment of members of the Corporation's senior management. The Corporation recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that women with the appropriate competencies and skills can play in contributing to diversity of perspective in senior management positions. The Corporation does not have a formal target regarding women in executive positions because the Corporation's executive officers have historically been supplied by SCLP and other candidates for employment are selected based on merit and against objective criteria. However, the Corporation (i) regularly reviews the proportion of women at all levels of the Corporation; (ii) monitors effectiveness of, and continues to expand on, existing initiatives designed to identify, support and develop talented women with leadership potential; and (iii) continues to identify new ways to entrench diversity as a cultural priority across the Corporation.

Upon adoption of the Corporation's diversity policy, no women served as executive officers of the Corporation. Up until June 23, 2020, one women served as an executive officer of the Corporation, representing 25% of the executive officers of the Corporation at that time. Currently, no women serve as executive officers of the Corporation.

The Corporate Governance, Compensation and Nominating Committee is responsible for annually (i) assessing the effectiveness of the Board appointment/nomination process and senior management appointment process at achieving the Corporation's diversity objectives and (ii) considering and, if determined advisable, recommending to the Board for adoption, measurable objectives for achieving diversity on the Board and in senior management.

SHAREHOLDER PROPOSALS FOR NEXT MEETING

In accordance with the current provisions of the *CBCA*, which governs the Corporation, shareholder proposals must be received by March 18, 2021, to be considered for inclusion in the proxy statement and the form of proxy for the 2022 annual meeting of shareholders.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.SEDAR.com or the Corporation's website at www.srhi.ca. Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended December 31, 2020.

In addition, copies of the Corporation's financial statements and management's discussion and analysis, may be obtained upon request to the President and CFO of the Corporation at 647-749-5859 or info@srhi.ca. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a shareholder of the Corporation.

DIRECTORS' APPROVAL

The directors of the Corporation have approved the contents and the sending of this Circular.

BY ORDER OF THE BOARD

Toronto, Ontario
April 22, 2021

"Terrence Lyons"
Terrence Lyons
Chairman of the Board

APPENDIX "A"
BOARD OF DIRECTORS MANDATE
[See Next Page]

BOARD OF DIRECTORS MANDATE

(Adopted by the Board effective March 3, 2021)

I. Mandate

The board of directors (the “**Board**”) of SRHI Inc. (the “**Company**”) is responsible for the stewardship of the Company and discharges such responsibility by supervising the management of the business and affairs of the Company, with a view to preserving and enhancing shareholder value.

II. Expectations and Responsibilities of Directors

The Board expects that each director will, among other things:

- a. act honestly, in good faith with a view to the best interests of the Company;
- b. exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- c. commit the time and energy necessary to properly carry out his or her duties;
- d. attend all Board and committee meetings, as applicable; and
- e. review in advance all meeting materials and otherwise adequately prepare for all Board and committee meetings, as applicable.

Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, that may impact their ability to perform their duties and responsibilities as a director are expected to notify the chair of the Corporate Governance, Compensation and Nominating Committee.

The Board expects that the chief executive officer (“**CEO**”) and the other executive officers of the Company will conduct themselves with integrity and that the CEO and other executive officers will create a culture of integrity throughout the Company.

III. Authority

The Board is responsible for implementing a system which enables an individual director, the Board or a committee to engage an external advisor at the expense of the Company in appropriate circumstances. Unless otherwise specified in a committee charter, the engagement of the external advisor shall be subject to the approval of the Board.

The Board has the authority to delegate to individual members or committees of the Board where appropriate and permitted under applicable law.

The Board shall have complete access to appropriate Company personnel in order to secure all information necessary to fulfill its duties.

IV. Composition

To the extent feasible, the Board shall be composed of a majority of “independent” directors as such term is defined under applicable securities legislation.

The Board shall appoint one director to act as a Chair of the Board. Where the Chair is not independent, an independent director may be appointed as “lead director”, to act as the effective leader of the Board and ensure that the Board’s agenda will enable it to successfully carry out its duties. If in any year the Board does not appoint a Chair or lead director, if applicable, the incumbent Chair and lead director, if applicable, will continue in office until a successor is appointed. If the Chair or lead director, if applicable, is absent from any meeting, the Board shall select one of the other directors present to preside at that meeting.

V. Meetings

The Board shall meet at least four times per year, including at least once in each quarter to carry out its responsibilities under this Mandate, including a review of the business operations and financial results of the Company, and as many additional times as the Board deems necessary to carry out its duties. The Chair or lead director, if applicable, shall develop and set the Board’s agenda, in consultation with other members of the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each director, at least 24 hours (excluding holidays) prior to the time fixed for such meeting.

A majority of the Board shall constitute a quorum. No business may be transacted by the Board except at a meeting of its members at which a quorum of the Board is present in person or by means of such telephonic, electronic or other communications facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

The Board may invite such officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Board.

The Board shall meet without management present whenever the Board deems it appropriate.

Minutes of the meetings of the Board shall be recorded and maintained by the Secretary of the Company or, if the Secretary of the Company is not present at the meeting, by another person appointed by the Board to act as Secretary, and shall be subsequently presented to the Board for review and approval.

VI. **Board and Mandate Review**

The Board shall conduct an annual review and assessment of its composition, performance and effectiveness in such manner as it deems appropriate. Such an assessment will consider: (i) compliance with its mandate; and (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board. In making such assessment, the Board shall consider any recommendations or reports, if applicable, of the Corporate Governance, Compensation and Nominating Committee concerning the Company's approach to corporate governance.

With the assistance of the Corporate Governance, Compensation and Nominating Committee, the Board shall also review and assess the adequacy of this mandate on an annual basis, taking into account all legislative and regulatory requirements applicable to the Board, as well as any guidelines recommended by securities regulatory authorities, the Toronto Stock Exchange or TSX Venture Exchange, as applicable.

VII. **Duties and Responsibilities**

The Board is responsible for:

- a. designating the offices of the Company, appointing such officers, specifying their duties and delegating to them the power to manage the day-to-day business and affairs of the Company;
- b. in consultation with the Corporate Governance, Compensation and Nominating Committee, reviewing the officers' performance and effectiveness;
- c. acting in a supervisory role, such that any duties and powers not delegated to the officers of the Company remain with the Board and its committees;
- d. to the extent feasible, satisfying itself as to the integrity of the CEO and other senior officers and that the CEO and other senior officers create a culture of integrity throughout the Company;
- e. discussing a strategic plan which takes into account, among other things, the opportunities and risks of the Company's business;
- f. identifying the principal risks of the Company's business, and ensuring the implementation of appropriate systems to manage these risks;
- g. with the assistance of the Corporate Governance, Compensation and Nominating Committee, supervising and assessing the performance and effectiveness of management of the Company on an ongoing basis;
- h. with the assistance of the Corporate Governance, Compensation and Nominating Committee, succession planning (including appointing, training and monitoring senior management);
- i. adopting a corporate disclosure policy that ensures that the Company communicates effectively with its shareholders, other stakeholders and the public in general;
- j. with the assistance of the Audit Committee, ensuring the integrity of the Company's internal control and management information systems;

- k. with the assistance of the Audit Committee, approval of the Company's annual and interim financial statements, MD&A and related news releases, before they are released;
- l. with the assistance of the Audit Committee review the disclosures in advance of any public release of material future-oriented financial information or material financial outlook;
- m. review the contents of all other major disclosure documents, including the Company's annual information form and management information circular, in advance of their public release;
- n. with the assistance of the Corporate Governance, Compensation and Nominating Committee, developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company;
- o. as per the Majority Voting Policy determine whether to accept or reject the Corporate Governance, Compensation and Nominating Committee's recommendation within 90 days following the date of the applicable meeting at which the election of directors was considered by shareholders;
- p. establishing procedures to ensure that the Company, through management, provides timely information to current and potential security holders and responds to their inquiries;
- q. in conjunction with the CEO and with the assistance of the Corporate Governance, Compensation and Nominating Committee, developing a clear position description for the CEO, which includes delineating management's responsibilities and developing or approving the corporate goals and objectives the CEO is responsible for meeting;
- r. with the assistance of management, developing environmental policies, as applicable from time to time, and ensuring their compliance with them; and
- s. with the assistance of management, developing health and safety practices and ensuring compliance with them.

VIII. **Committees of the Board**

To assist it in discharging its responsibilities, the Board has established three standing committees of the Board: the Audit Committee, the Corporate Governance, Compensation and Nominating Committee and the Environmental, Health and Safety Committee. The Audit Committee is comprised entirely of "independent" directors (as such term is defined in National Instrument 52-110 - *Audit Committees*). The Corporate Governance, Compensation and Nominating Committee and the Environmental, Health and Safety Committee are each comprised entirely of independent directors. The Board may establish other standing committees from time to time.

Each committee shall have a written charter that clearly establishes the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members and subcommittees), and manner of reporting to the Board. Each charter shall be reviewed by the Board (or a committee thereof) on at least an annual basis.

The Board is responsible for appointing directors to each of its committees in accordance with the charter for each committee.

As required by applicable law, by applicable committee charter or as the Board may consider advisable, the Board shall consider for approval the specific matters delegated for review to Board committees.

IX. **Nomination of Directors**

In consultation with the Corporate Governance, Compensation and Nominating Committee, the Board is responsible for nominating or appointing individuals as directors. Prior to nominating or appointing individuals as directors, the Board shall:

- a. consider what competencies and skills the Board, as a whole, should possess;
- b. assess what competencies and skills each existing director possesses (including the personality and other qualities of each director);
- c. review the qualifications of candidates recommended by the Corporate Governance, Compensation and Nominating Committee or suggested by members of the Board, shareholders, management and others and assess what competencies and skills each new nominee will bring to the boardroom; and

- d. consider the appropriate size of the Board, with a view to facilitating effective decision-making.

X. **Orientation and Continuing Education**

With the assistance of the Corporate Governance, Compensation and Nominating Committee, the Board is responsible for ensuring that all new directors receive a comprehensive orientation enabling them to fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make, and the nature and operation of the Company's business.

With the assistance of the Corporate Governance, Compensation and Nominating Committee, the Board shall provide continuing education opportunities for all directors, so individuals may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Company's business remains current.

XI. **Code of Business Conduct and Ethics**

The Board is responsible for adopting and maintaining a written code of business conduct and ethics (the "Code") applicable to all directors, officers and employees of the Company and its subsidiaries. The Code shall constitute written standards that are reasonably designed to promote integrity and deter wrongdoing and shall address the following issues:

- a. conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- b. protection and proper use of corporate assets and opportunities;
- c. confidentiality of corporate information;
- d. fair dealing with the Company's security holders, suppliers, competitors and employees;
- e. compliance with laws, rules and regulations; and
- f. reporting of any illegal or unethical behaviour.

With the assistance of the Corporate Governance, Compensation and Nominating Committee, the Board is responsible for monitoring compliance with the Code. Any waivers from the Code shall be granted by the Board only.

XII. **Compensation Matters**

The Board is responsible for overseeing compensation matters, including (i) director compensation, incentive-compensation plans and equity-based plans, after consideration of the recommendations of the Corporate Governance, Compensation and Nominating Committee; and (ii) compensation for officers and other senior management personnel.

APPENDIX "B"
SRHI INC. LONG-TERM INCENTIVE PLAN
[See Next Page]

**SRHI INC. LONG-TERM
INCENTIVE PLAN**

Approved by the Board of Directors on April 22, 2021

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SRHI Inc. (the “**Company**”) hereby establishes this Omnibus Long-Term Incentive Plan for Eligible Participants and for the purposes set out herein.

ARTICLE 1 – DEFINITIONS

Section 1.1 Definitions.

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

“**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Awards, including any Dividend Equivalents, in accordance with the terms of this Plan;

“**Affiliate**” has the meaning given to this term in the *Securities Act* (Ontario), as such legislation may be amended, supplemented or replaced from time to time;

“**Associate**”, where used to indicate a relationship with a Participant, means (i) any partner of that Participant and (ii) the spouse of that Participant and that Participant’s children, as well as that Participant’s relatives and that Participant’s spouse’s relatives, if they share that Participant’s residence;

“**Awards**” means an Option, a SAR, a RSU or a DSU granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means a period of time when pursuant to any policies of the Company, any securities of the Company may not be traded by certain persons designated by the Company;

“**Board**” has the meaning ascribed thereto in Section 2.2(1) hereof;

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

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant’s Account, net of any applicable taxes in accordance with Section 10.2, on the RSU Settlement Date;

“**Cause**” has the meaning ascribed thereto in Section 7.2(1) hereof;

“**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; (iii) the Company undergoes a liquidation or dissolution or sells all or substantially all of its assets; or (iv) the Board adopts a resolution to the effect that a Change in Control as defined herein has occurred or is imminent.

“**Committee**” has the meaning ascribed thereto in Section 2.2(1) hereof;

“**Consultant**” means a person, other than an officer, director, senior executive, or employee of the Company or a Subsidiary, that provides ongoing services to the Company, and includes for an individual Consultant, a corporation of which the individual Consultant is an employee or shareholder, or a partnership of which the individual Consultant is an employee or partner;

“**Consulting Agreement**” means, with respect to any Participant, any written consulting agreement between the Company or an affiliate and such Participant;

“Dividend Equivalent” means a bookkeeping entry equivalent in value to a dividend paid on a Share credited to a Participant’s Account in accordance with Section 4.5 hereof;

“Discounted Market Price” has the meaning ascribed to this term in TSXV Policy 1.1 – Interpretation;

“DSU” means a deferred share unit, which is a bookkeeping entry equivalent in value to a Share credited by the Company to a Participant’s Account in accordance with Article 4 hereof, subject to the provisions of this Plan;

“DSU Agreement” means a written letter agreement between the Company and a Participant evidencing the grant of DSUs and the terms and conditions thereof;

“Eligibility Date” has the meaning ascribed thereto in Section 7.2(3) hereof;

“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 Company 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 SAR Agreement, a DSU Agreement, a RSU Agreement, an Employment Agreement, or a Consulting Agreement;

“Insider” has the meaning given to the term in Part I of the TSXV Company Manual, as same may be amended, supplemented or replaced from time to time;

“Market Value” means at any date when the Market Value of Shares of the Company is to be determined, and if the Shares of the Company are listed on the TSXV, the “market price” means i) the volume weighted average trading price of such Shares on the TSXV (or, if such Shares are not then listed and posted for trading on the TSXV, on such recognized stock exchange in Canada on which such Shares are listed and posted for trading as may be selected for such purpose by the Board) for the five (5) consecutive trading days immediately preceding such date, provided that in the event that such Shares did not trade on any of such trading days, the Market Price shall be the average of the bid and ask prices in respect of such Shares at the close of trading on all of such trading days, provided that the Market Price for such trading days is not lower than the Discounted Market Price, and provided that in the event that such Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion, or (ii) the prior day’s closing price of the Shares listed on the TSXV;

“Notice of Redemption” means the written notice by a Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant’s wish to redeem his or her DSUs for cash or Shares;

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

“Option Agreement” means a written letter agreement between the Company 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(1) 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 DSUs and/or RSUs 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 Company and/or of its Affiliates, 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 5.4(1) hereof;

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

“Plan” means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

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

“RSU” means a right awarded by the Company to a Participant to receive a payment in the form of Shares as provided in Article 5 hereof, subject to the provisions of this Plan;

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

“RSU Settlement Date” has the meaning determined in Section 5.6(1)(a);

“RSU Settlement Notice” means a notice by a Participant to the Company electing the desired form of settlement of vested RSUs.

“RSU Vesting Determination Date” has the meaning described thereto in Section 5.5 hereof;

“SAR” means a right granted to a Participant as provided in Article 6 hereof to receive, upon exercise by the Participant, the excess of (i) the Market Value of one Share on the date of exercise over (ii) the grant price of the right on the date of grant, or if granted in connection with an outstanding Option on the date of grant of the related Option, as specified by the Board in its sole discretion, which, except in the case of Substitute Awards, shall not be less than the Market Value of one Share on such date of grant of the right or the related Option, as the case may be, subject to the provisions of this Plan;

“SAR Agreement” means a written letter agreement between the Company and a Participant evidencing the grant of SARs and the terms and conditions thereof;

“SAR Price” has the meaning ascribed thereto in Section 6.2 hereof;

“SAR Term” has the meaning ascribed thereto in Section 6.4(1) hereof;

“Service Provider” means an individual, other than an employee or a Consultant that: (i) is engaged to provide services on a bona fide basis to the Company or an Affiliate, other than services provided in relation to a distribution of securities of the Company or an Affiliate; (ii) provides the services under a written contract with the Company or an Affiliate; and (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;

“Share Compensation Arrangement” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, directors, officers, insiders, Service Providers or Consultants of the Company or a Subsidiary including a share purchase from treasury by a full-time employee, director, officer, insider, Service Provider or Consultant which is financially assisted by the Company or a Subsidiary by way of a loan, guarantee or otherwise;

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

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

“Successor Company” has the meaning ascribed thereto in Section 8.1(3) 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 Company or a Subsidiary and (ii) in the event of the termination of the Participant’s employment by the Company or a Subsidiary, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or the Subsidiary, as the case may be;

“TSX” means the TSX Venture Exchange; and

“Vested Awards” has the meaning described thereto in Section 7.2(2) hereof.

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

Section 2.1 Purpose of the Plan.

- (1) The purpose of the Plan is to permit the Company to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:
 - (a) to increase the interest in the Company’s welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
 - (b) to provide an incentive to such Eligible Participants to continue their services for the Company or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;
 - (c) to reward the Participants for their performance of services while working for the Company or a Subsidiary; and
 - (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment.

Section 2.2 Implementation and Administration of the Plan.

- (1) The Plan shall be administered and interpreted by the Board of Directors of the Company (the **“Board”**) or,

if the Board by resolution so decides, by a committee appointed by the Board (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.

- (2) The Board or, for greater certainty, the Committee, 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 or, for greater certainty, the Committee, 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 or, for greater certainty, the Committee, shall be final and binding on all Eligible Participants.
- (3) No member of the Board or, for greater certainty, the Committee, 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.
- (4) Any determination approved by a majority of the Board or, for greater certainty, the Committee, shall be deemed to be a determination of that matter by the Board or, for greater certainty, the Committee.
- (5) Subject to the terms of this Plan and applicable law, the Board or, for greater certainty, the Committee, may 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 or the Committee may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.
- (6) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

Section 2.3 Eligible Participants.

- (1) The Persons who shall be eligible to receive Awards (“**Eligible Participants**”) shall be the directors, officers, senior executives, bona fide employees of the Company or a Subsidiary and bona fide Consultants and Service Providers providing ongoing services to the Company and 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 Company’s success. For greater certainty, a Person whose employment with the Company or a Subsidiary has ceased for any reason, or who has given notice or been given notice of such cessation, whether such cessation was initiated by such employee, the Company or such Subsidiary, as the case may be, shall cease to be eligible to receive Awards hereunder as of the date on which such Person provides notice to the Company or the Subsidiary, as the case may be, in writing or verbally, of such cessation, or on the Termination Date for any cessation of a Participant’s employment initiated by the Company.
- (2) A corporation controlled by an Eligible Participant, all of the issued and outstanding shares of which are, and continue at all times to be, legally and beneficially owned, directly or indirectly, by such Eligible Participant, is deemed to be an Eligible Participant under the Plan.
- (3) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant’s relationship or employment with the Company.

- (4) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment by the Company to the Participant.

Section 2.4 Shares Subject to the Plan.

- (1) Subject to adjustment pursuant to provisions of Article 8 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Options under the Plan shall not exceed a number of Shares equal to ten percent (10%) of the total issued and outstanding Shares of the Company at the time of granting of Options (on a non-diluted basis) or such other number as may be approved by the shareholders of the Company from time to time. Any increase in the issued and outstanding Shares (whether as a result of exercise of Awards or otherwise) will result in an increase in the number of Shares that may be granted and issued pursuant to Awards for Options under the Plan and any Awards for Options granted will, upon exercise, make new grants and issuances available under the Plan.
- (2) The aggregate maximum number of Shares available for issuance from treasury underlying RSU, DSUs and SARS under this Plan, subject to adjustment pursuant to Article 8, shall not exceed 1,250,000 Shares.
- (3) Shares in respect of which an Award is granted under the Plan, but not exercised prior to the termination of such Award or not vested or delivered prior to the termination of such Award due to the expiration, termination or lapse of such Award, shall be available for Awards to be granted thereafter pursuant to the provisions of the Plan.
- (4) 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.

Section 2.5 Granting of Awards.

- (1) Any Award granted under the Plan shall be subject to the requirement that if at any time counsel to the Company 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 Company to apply for or to obtain such listing, registration, qualification, consent or approval.
- (2) Any Award granted under the Plan shall be subject to the requirement that the Company has the right to place any restriction or legend on any securities issued pursuant to this Plan including, but in no way limited to (i) a legend indicating the Shares are subject to the Exchange Hold Period (as such term is defined in TSXV Policy 1.1 – Interpretation), and (ii) a legend to the effect that the securities have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States unless registration or an exemption from registration is available.

ARTICLE 3 – OPTIONS

Section 3.1 Nature of Options.

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

Section 3.2 Option Awards.

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

Section 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, and shall be granted at the Market Value or Discounted Market Price, at the discretion of the Board, and shall in no circumstances be lower than the Discounted Market Price.

Section 3.4 Option Term.

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, 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 ten (10) years from the date the Option is granted (“**Option Term**”). Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black-Out Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the ten (10) Business Day-period referred to in this Section 3.4 may not be extended by the Board.

Section 3.5 Exercise of Options.

- (1) 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.
- (2) 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.

Section 3.6 Method of Exercise and Payment of Purchase Price.

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 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 Company at its registered office to the attention of the Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by certified cheque or such other means of payment acceptable to the Company of the purchase price for the number of Shares specified therein.
- (2) Upon the exercise of an Option, the Company shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:
 - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

Section 3.7 Option Agreements.

Options shall be evidenced by an Option Agreement or included in an Employment Agreement or Consulting 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 7 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 Company.

ARTICLE 4 – DEFERRED SHARE UNITS

Section 4.1 Nature of DSUs.

A DSU is an Award of phantom share units to an Eligible Participant, subject to 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.

Section 4.2 Election to Participate.

Each Eligible Participant may elect, once each calendar year, to be paid a percentage of his or her annual retainer

in the form of DSUs, with the balance being paid in cash. In the case of an existing Eligible Participant, the election must be completed, signed and delivered to the Company by the end of the fiscal year preceding the fiscal year to which such election is to apply. In the case of a new Eligible Participant, the election must be completed, signed and delivered to the Company as soon as possible, and, in any event, no later than thirty (30) days, after the Eligible Participant's appointment, with such election to be effective on the first day of the fiscal quarter of the Company next following the date of the Company's receipt of the election until the final day of the fiscal year of appointment. For the first year of the Plan, Eligible Participants must make such election as soon as possible, and, in any event, no later than thirty (30) days, after adoption of the Plan and the election shall be effective on the first day of the fiscal quarter of the Company next following the date of the Company's receipt of the election until the final day of such fiscal year. If no election is made in respect of a particular fiscal year, the new or existing Eligible Participant will receive the annual retainer in cash.

Section 4.3 DSU Awards.

The number of DSUs that an Eligible Participant is entitled to receive in a fiscal year is based upon the percentage that the Eligible Participant has elected to receive in DSUs multiplied by the Participant's annual retainer divided by the Market Value. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

Section 4.4 Redemption of DSUs.

- (1) Each Participant shall be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the Termination Date and ending on the 90th day following the Termination Date by providing a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Participant. The Notice of Redemption must specify an election to receive:
 - (a) a cash payment equal to the number of DSUs credited to the Participant's Account as of the Termination Date multiplied by the Market Value on the Termination Date, net of any applicable withholding taxes; or
 - (b) in the case of settlement of DSUs 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 Company maintained by the transfer agent and registrar of the Shares); or
 - (c) a percentage of the DSUs paid out in cash and the remaining percentage of the DSUs paid out as Shares.

In the event a Notice of Redemption is not provided by a Participant, such Participant will be deemed to have elected to receive Shares as provided for in Section 4.4(1)(b). Notwithstanding an election by a Participant to receive a cash payment in accordance with Section 4.4(1)(a) or (c), the Company may, in its sole discretion, elect to settle amounts owing to a Participant pursuant to DSUs by the issuance of Shares only.

- (2) Where Shares are to be issued to a Participant, the Company will be required to (within ten (10) business days) issue the Shares. The number of Shares will be computed by taking the number of DSUs that the Participant elected to receive in Shares, net of the number of DSUs that would equal to any applicable

withholding taxes.

- (3) The Company will make all of the payments described in this Article 4 (referred to hereinafter as the "Final Payment") to the Participant, within 120 days of the Termination Date. Upon making such payment to the Participant, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs.

Section 4.5 Award of Dividend Equivalents.

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. These Dividend Equivalents will, if awarded, be credited to the Participant's Account as additional DSUs (or fractions thereof), with the number of additional DSUs based on (a) the actual amount of dividends that would have been paid if the Participant had held Shares under the Plan on the applicable record date divided by (b) the Market Value per Share on the date on which the dividends on Shares are payable. For greater certainty, no DSUs representing Dividend Equivalents will be credited to a Participant's Account in relation to DSUs that have been previously cancelled or paid out of the Plan and all additional DSUs credited as a result of a Dividend Equivalent will be credited at the same time as any applicable Final Payment. All DSUs awarded as Dividend Equivalents shall reduce the number of reserved Shares available for grant under the Plan.

Section 4.6 Unfunded Plan.

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of DSUs under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company. Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.

Section 4.7 DSU Agreements.

DSUs shall be evidenced by a DSU Agreement or included in an Employment Agreement or Consulting 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 7 hereof be included therein. The DSU Agreement shall contain such terms that may be considered necessary in order that the DSU will comply with any provisions respecting deferred share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 5 – RESTRICTED SHARE UNITS

Section 5.1 Nature of RSUs.

A RSU is an Award entitling the recipient to acquire Shares, at such purchase price (which may be zero) as determined by the Board, or receive a Cash Equivalent, 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.

Section 5.2 RSU Awards.

- (1) 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 (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (2) The RSUs are structured so as to be considered to be a plan described in section 7 of the Tax Act or any successor provision thereto.
- (3) Subject to the vesting and other conditions and provisions herein set forth and in the RSU Agreement, each RSU awarded to a Participant shall entitle the Participant, at his or her election, to receive one Share issued from treasury or the Cash Equivalent at any time beginning on the first Business Day following their RSU Vesting Determination Date but no later than the RSU Settlement Date.

Section 5.3 Restriction Period.

The applicable restriction period in respect of a particular RSU award shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the Award is granted (“**Restriction Period**”). For example, the Restriction Period for a grant made in June 2021 shall end no later than December 31, 2024. Subject to the Board’s determination, any vested RSUs with respect to a Restriction Period will be paid to Participants in accordance with Article 5, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 5.5) and, in any event, no later than the last day of the Restriction Period.

Section 5.4 Performance Criteria and Performance Period.

- (1) For each award of RSUs, 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 RSUs held by such Participant (the “**Performance Period**”), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three (3) years after the financial year in which the Award was granted. For example, a Performance Period determined by the Board to be for a period of three (3) financial years will start on the first day of the financial year in which the award is granted and will end on the last day of the second financial year after the year in which the grant was made. In such a case, for a grant made on August 5, 2021, the Performance Period will start on January 1, 2021 and will end on December 31, 2023.
- (2) For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Shares in exchange for his or her RSUs.

Section 5.5 RSU Vesting Determination Date.

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU have been met (the “**RSU Vesting Determination Date**”), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting

Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Section 5.6 Settlement of RSUs.

- (1) Except as otherwise provided in the RSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied:
 - (a) all of the vested RSUs covered by a particular grant may, subject to Section 5.6(4), be settled at any time beginning on the first Business Day following their RSU Vesting Determination Date but no later than the date that is ten (10) years from their RSU Vesting Determination Date (the “**RSU Settlement Date**”);
 - (b) a Participant is entitled to deliver to the Company, on or before the RSU Settlement Date, an RSU Settlement Notice in respect of any or all vested RSUs held by such Participant; and
 - (c) with the consent of the Board in the RSU Settlement Notice, the Participant may elect, in such Participant’s sole discretion, including with respect to any fractional RSUs, to settle vested RSUs for their Cash Equivalent, Shares issued from treasury, or a combination thereof.
- (2) Subject to Section 5.6(4), settlement of RSUs shall take place promptly following the RSU Settlement Date and take the form set out in the RSU Settlement Notice through:
 - (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (b) in the case of settlement of RSUs for Shares, 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 Company maintained by the transfer agent and registrar of the Shares); or
 - (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) If an RSU Settlement Notice is not received by the Company on or before the RSU Settlement Date, settlement shall take the form of Shares issued from treasury as set out in Section 5.7(2). Notwithstanding an election by a Participant to receive a cash payment in accordance with Section 5.6(1)(a) or (c), the Company may, in its sole discretion, elect to settle amounts owing to a Participant pursuant to RSUs by the issuance of Shares only.
- (4) 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 Company and the Participant has not delivered an RSU Settlement Notice, then such RSU Settlement Date shall be automatically extended to the tenth (10th) Business Day following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

Section 5.7 Determination of Amounts.

- (1) Cash Equivalent of RSUs. For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 5.6, 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 RSU Settlement Notice, less any amount withheld on account of taxes in accordance with Section 11.2.

- (2) 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 5.6, such calculation will be made on the RSU Settlement Date and 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 RSU Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Company and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares.

Section 5.8 RSU Agreements.

RSUs shall be evidenced by a RSU Agreement or included in an Employment Agreement or Consulting 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 7 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 Company.

Section 5.9 Award of Dividend Equivalents.

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of RSUs in a Participant's Account on the same basis as dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. These Dividend Equivalents will, if awarded, be credited to the Participant's Account as additional RSUs (or fractions thereof), with the number of additional RSUs based on (a) the actual amount of dividends that would have been paid if the Participant had held Shares under the Plan on the applicable record date divided by (b) the Market Value per Share on the date on which the dividends on Shares are payable. For greater certainty, no RSUs representing Dividend Equivalents will be credited to a Participant's Account in relation to RSUs that have been previously cancelled or paid out of the Plan and all additional RSUs credited as a result of a Dividend Equivalent will be credited at the same time as any applicable Final Payment. In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company's account. All RSUs awarded as Dividend Equivalents shall reduce the number of reserved Shares available for grant under the Plan.

ARTICLE 6 – SHARE APPRECIATION RIGHTS

Section 6.1 Nature of SARs.

A SAR is an Award entitling the recipient to receive Shares having a value equal to the excess of the Market Value of one Share on the date of exercise over the grant price of the right on the date of grant, multiplied by the number of Shares with respect to which the SAR shall have been exercised. The grant price of a SAR shall not be less than the Market Value of one Share on such date of grant of the right.

Section 6.2 SAR Awards.

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 SAR Awards under the Plan, (ii) fix the number of SAR Awards to be granted to each Eligible Participant and the date or dates on which such SAR Awards shall be granted, and (iii) determine the price per Share to be payable upon the vesting of each such SAR (the “**SAR Price**”) and the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the SAR Term, the whole subject to the terms and conditions prescribed in this Plan and in any SAR Agreement.

Section 6.3 SAR Price.

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

Section 6.4 SAR Term.

- (1) The Board shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than ten (10) years from the date the SAR is granted (“**SAR Term**”) and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Board, all unexercised SARs shall be cancelled at the expiry of such SAR.
- (2) Should the expiration date for a SAR fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such SAR for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the ten (10) Business Day-period referred to in this Section 6.4 may not be extended by the Board.

Section 6.5 Exercise of SARs.

Prior to its expiration or earlier termination in accordance with the Plan, each SAR shall be exercisable as to all or such part or parts of the granted 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 SAR, may determine in its sole discretion. For greater certainty, no SAR shall be exercised by a Participant during a Black-Out Period.

Section 6.6 Method of Exercise and Payment of Purchase Price.

- (1) Subject to the provisions of the Plan, a SAR granted under the Plan shall be exercisable (from time to time as provided in Section 6.5 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 Company at its registered office to the attention of the Corporate Secretary of the Company (or to the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, no less than three (3) business days in advance of the effective date of the proposed exercise, which notice shall specify the number of Shares with respect to which the SAR is being exercised and the effective date of the proposed exercise.
- (2) The exercise of a SAR with respect to any number of Shares shall entitle the Participant to Shares equal to the excess of the Market Value of a Share on the effective date of such exercise over the per share SAR Price.
- (3) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

- (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
- (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

Section 6.7 SAR Agreements.

SARs shall be evidenced by a SAR Agreement or included in an Employment Agreement or Consulting Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 6 and Article 7 hereof be included therein. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights 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 Company.

ARTICLE 7 – GENERAL CONDITIONS

Section 7.1 General Conditions applicable to Awards.

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

- (1) **Employment** - The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Company to grant any awards in the future nor shall it entitle the Participant to receive future grants.
- (2) **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 or direct registration advice to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant). 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.
- (3) **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.
- (4) **Transferrable Awards** – Awards granted under this Plan shall be transferrable or assignable only to a "permitted assign" upon the death of a Participant or to an RRSP or RRIF of the Participant. For the purposes hereof, "permitted assign" means for such Participant a trustee, executor, custodian or administrator acting on behalf, or for the benefit, of the Participant.

- (5) **Restrictions on Options** – Notwithstanding anything contrary in this Plan, as long as the Shares are listed on the TSXV:
- (a) the number of Shares which may be reserved for issue pursuant to Options granted under this Plan to all Insiders shall not exceed in the aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis at any point in time unless the Company has received disinterested shareholder approval;
 - (b) the number of Shares which may be reserved for issue pursuant to Options granted under this Plan to all Insiders within a 12-month period shall not exceed in aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant unless the Company has received disinterested shareholder approval;
 - (c) the number of Shares which may be reserved for issue pursuant to Options granted under this Plan to any one Person within a 12-month period shall not exceed in the aggregate 5% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant;
 - (d) the number of Shares which may be reserved for issue pursuant to Options granted under this Plan to any one Consultant in any 12-month period shall not exceed in the aggregate 2% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant; and
 - (e) the aggregate number of Options granted to Participants conducting Investor Relations Activities (as such term is defined in the policies of the TSXV) exceeding 2% of the issued and outstanding Shares of the Company (calculated as at the time of the grant of such Awards) in any 12-month period.
- (6) **Restrictions on RSUs, DSUs and SARs** – Notwithstanding anything contrary in this Plan, as long as the Shares are listed on the TSXV:
- (a) the number of Shares which may be reserved for issue pursuant to RSUs, DSUs and SARs granted under this Plan to all Insiders shall not exceed in the aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis at any point in time unless the Company has received disinterested shareholder approval;
 - (b) the number of Shares which may be reserved for issue pursuant to RSUs, DSUs and SARs granted under this Plan to all Insiders within a 12-month period shall not exceed in the aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant unless the Company has received disinterested shareholder approval;
 - (c) the number of Shares which may be reserved for issue pursuant to RSUs, DSUs and SARs granted under this Plan to any one Person within a 12-month period shall not exceed in the aggregate 5% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant; and
 - (d) the number of Shares which may be reserved for issue pursuant to RSUs, DSUs and SARs granted under this Plan to any one Consultant in any 12-month period shall not exceed in the aggregate 2% of the number of Shares issued and outstanding on a non-diluted basis on the date of grant.

Section 7.2 General Conditions applicable to Options and SARs.

Each Option or SAR, as applicable, shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for “Cause”, any Option or SAR or the unexercised or unvested portion thereof, as applicable, when granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Company that the Participant was discharged for cause shall be binding on the Participant. “Cause” shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the anycode of conduct of the Company (or equivalent policy) and any reason determined by the Company to be cause for termination.
- (2) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, any vested Option or SAR or the unexercised portion thereof, granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options or SARs (the “**Vested Awards**”) hereof on the date of such Participant’s death. Such Vested Award shall only be exercisable within one (1) year after the Participant’s death or prior to the expiration of the original term of the Options or SARs, as applicable, whichever occurs earlier. All Options or SARs or the unexercised portion thereof, as applicable, other than such Vested Awards on the date of such Participant’s death, will be cancelled on the date of such Participant’s death.
- (3) **Disability.** Upon a Participant ceasing to be an Eligible Participant by reason of injury or disability or upon a Participant becoming eligible to receive long-term disability benefits, any Option or SAR or the unexercised portion thereof, granted to such Participant may be exercised by such Participant or his/her representative as the rights to exercise accrue. Such Option or SAR shall only be exercisable (i) within one (1) year after such cessation or (ii) prior to the expiration of the original term of the Option or SAR, whichever occurs earlier. All Options or SARs or the unexercised portion thereof, as applicable, on the date that is one (1) year after such cessation, will be cancelled on such date.
- (4) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for “cause”, death or disability) the right to exercise an Option or SAR shall be limited to and shall expire on the earlier of one (1) year after the Termination Date, or the expiry date of the Award set forth in the Grant Agreement, to the extent such Award was exercisable by the Participant on the Termination Date.
- (5) **Investor Relations Activities.** Participants providing Investor Relations Activities shall only be eligible to receive Options under the Plan (and not, for greater certainty, SARs, RSUs or DSUs).

Section 7.3 General Conditions applicable to RSUs.

Each RSU shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for “Cause” or the Participant’s resignation from employment with the Company or a Subsidiary, the Participant’s participation in the Plan shall be terminated immediately, all RSUs credited to such Participant’s Account that have not vested shall be forfeited and cancelled, and the Participant’s rights to Shares that relate to such Participant’s unvested RSUs shall be forfeited and cancelled on the Termination Date.
- (2) **Cessation of Employment.** Except as otherwise determined by the Board from time to time, at its sole

discretion, upon a Participant's (i) retirement, (ii) employment with the Company or a Subsidiary being terminated by the Company or a Subsidiary for reasons other than for "cause", (iii) employment with the Company or a Subsidiary being terminated by reason of injury or disability or (iv) becoming eligible to receive long-term disability benefits, the Participant's participation in the Plan shall be terminated immediately and all Awards shall terminate within a period of one (1) year from the cessation of employment.

- (3) **Retirement.** In the case of a Participant's retirement, this Section 7.3(3) shall not apply to a Participant in the event such Participant, directly or indirectly, in any capacity whatsoever, alone, through or in connection with any person, carries on or becomes employed by, engaged in or otherwise commercially involved in, any activity or business in the mining industry prior to the applicable RSU Vesting Determination Date. In such event, Section 7.3(2) shall apply to such Participant.
- (a) If, on the RSU Vesting Determination Date, the Board determines that the vesting conditions were not met for such RSUs, then all unvested RSUs credited to such Participant's Account shall be forfeited and cancelled and the Participant's rights to Shares that relate to such unvested RSUs shall be forfeited and cancelled.
- (b) If, on the RSU Vesting Determination Date, the Board determines that the vesting conditions were met for such RSUs, the Participant shall be entitled to receive that number of Shares equal to the number of RSUs outstanding in the Participant's Account in respect of such Restriction Period multiplied by a fraction, the numerator of which shall be the number of completed months of service of the Participant with the Company or a Subsidiary during the applicable Performance Period, if any, as of the date of the Participant's retirement, termination or Eligibility Date and the denominator of which shall be equal to the total number of months included in the applicable Performance Period, if any (which calculation shall be made on the applicable RSU Vesting Determination Date) and the Company shall distribute such number of Shares to the Participant as soon as practicable thereafter, the Company shall debit the corresponding number of RSUs from such Participant's Account, and the Participant's rights to all other Shares that relate to such Participant's RSUs shall be forfeited and cancelled after the date of retirement.
- (4) **Death.** Except as otherwise determined by the Board from time to time, at their sole discretion, upon the death of a Participant, the Participant's participation in the Plan shall be terminated immediately, provided that all unvested RSUs in the Participant's Account as of such date relating to a Restriction Period in progress shall remain in effect until the applicable RSU Vesting Determination Date or any earlier date as may be determined by the Board.
- (a) If, on the applicable RSU Vesting Determination Date or any earlier date as may be determined by the Board, the Board determines that the vesting conditions were not met for such RSUs, then all unvested RSUs credited to such Participant's Account shall be forfeited and cancelled and the Participant's rights to Shares (or cash or a combination of Shares and cash as permitted under this Plan) that relate to such unvested RSUs shall be forfeited and cancelled.
- (b) If, on the applicable RSU Vesting Determination Date or any earlier date as may be determined by the Board, the Board determines that the vesting conditions were met, the liquidator, executor or administrator, as the case may be, of the estate of the Participant shall be entitled to receive that number of Shares equal to the number of RSUs outstanding in the Participant's Account in respect of such Restriction Period multiplied by a fraction, the numerator of which shall be the

number of completed months of service of the Participant with the Company or a Subsidiary during the applicable Performance Period, if any, as of the date of death of the Participant and the denominator of which shall be equal to the total number of months included in the applicable Performance Period, if any (which calculation shall be made on the applicable RSU Vesting Determination Date or any earlier date as may be determined by the Board) and the Company shall distribute such number of Shares to the liquidator, executor or administrator, as the case may be, of the estate of the Participant as soon as practicable thereafter but no later than the end of the Restriction Period, the Company shall debit the corresponding number of RSUs from such deceased Participant's Account, and the Participant's right to all other Shares that relate to such deceased Participant's RSUs shall be forfeited and cancelled.

- (5) **Leave of Absence.** Except as otherwise determined by the Board from time to time, at their sole discretion, upon a Participant electing a voluntary leave of absence, the Participant's participation in the Plan shall be terminated immediately, provided that all unvested RSUs in the Participant's Account as of such date relating to a Restriction Period in progress shall remain in effect until the applicable RSU Vesting Determination Date.
- (a) If, on the applicable RSU Vesting Determination Date, the Board determines that the vesting conditions were not met for such RSUs, then all unvested RSUs credited to such Participant's Account shall be forfeited and cancelled and the Participant's rights to Shares (or cash or a combination of Shares and cash as permitted under this Plan) that relate to such unvested RSUs shall be forfeited and cancelled.
- (b) If, on the applicable RSU Vesting Determination Date, the Board determines that the vesting conditions were met, the Participant shall be entitled to receive that number of Shares equal to the number of RSUs outstanding in the Participant's Account in respect of such Restriction Period multiplied by a fraction, the numerator of which shall be the number of completed months of service of the Participant with the Company or a Subsidiary during the relevant Performance Period, if any, as of the date the Participant elects for a voluntary leave of absence and the denominator of which shall be equal to the total number of months included in the relevant Performance Period, if any (which calculation shall be made on the applicable RSU Vesting Determination Date) and the Company shall distribute such number of Shares (or cash or a combination of Shares and cash as permitted under this Plan) to the Participant as soon as practicable thereafter but no later than the end of the applicable Restriction Period, the Company shall debit the corresponding number of RSUs from such Participant's Account, and the Participant's right to all other Shares that relate to such Participant's RSUs shall be forfeited and cancelled.
- (c) Subject to applicable laws, the Board may decide, at their sole discretion that Section 7.3(5) should not apply to voluntary leaves granted to a Participant by the Company for a period of twelve (12) months or less. In such event, all unvested RSUs in such Participant's Account as of such date relating to a Restriction Period in progress shall remain in effect until the applicable RSU Vesting Determination Date.
- (6) **General.** For greater certainty, where (i) a Participant's employment with the Company or a Subsidiary is terminated pursuant to Section 7.3(1), Section 7.3(2) or Section 7.3(4) hereof or (ii) a Participant elects for a voluntary leave of absence pursuant to Section 7.3(5) hereof following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in

respect of such RSUs, the Participant shall remain entitled to such distribution or payment.

ARTICLE 8 – ADJUSTMENTS AND AMENDMENTS

Section 8.1 Adjustment to Shares Subject to Outstanding Awards.

- (1) 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 Company 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.
- (2) 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 Company 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.
- (3) 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 8.1(1) or Section 8.1(2) hereof or, subject to the provisions of Section 8.2(3) hereof, the Company 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 Company**”), 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 Company or the Successor Company (as the case may be) or other consideration from the Company or the Successor Company (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 8.2(3) 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.
- (4) 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 Company shall make a distribution to all holders of Shares or other securities in the capital of the Company, or cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition

of such a Subsidiary or business unit), or should the Company 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. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

Section 8.2 Amendment or Discontinuance of the Plan.

- (1) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:
 - (a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 8 hereof;
 - (b) be subject to any regulatory approvals including, where required, the approval of the TSXV; and
 - (c) be subject to shareholder approval, where required by 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: amendments of a "housekeeping" nature or a change to the vesting provisions of any Award.
- (2) Notwithstanding Section 8.2(1)(c), the Board shall be required to obtain shareholder approval to make the following amendments:
 - (a) 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;
 - (b) any amendment which reduces the exercise price of any Award granted to insiders, as applicable, after such Awards have been granted or any cancellation of an Award and the substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Article 8;
 - (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date, except in case of an extension due to a Black-Out Period;
 - (d) any amendment which would permit a change to the Eligible Participants;
 - (e) any amendment to the amendment provisions of the Plan;
 - (f) any amendment for which, under the requirements of the TSXV or any applicable law, shareholder approval is required,

provided that Shares held directly or indirectly by Insiders benefiting from the amendments in Sections (b) and (c) shall be excluded when obtaining such shareholder approval.
- (3) 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 or Consulting Agreements, 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 *Securities Act* (Ontario)) 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 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.

- (4) The Board may, by resolution, advance the date on which any Award may be exercised or payable or, subject to applicable regulatory provisions, including the rules of the TSXV, and shareholder approval, extend the expiration date of any Award, in the manner to be set forth in such resolution provided that the period during which an Option or a SAR is exercisable or RSU is outstanding does not exceed ten (10) years from the date such Option or SAR is granted in the case of Options and SARs and three (3) years after the calendar year in which the award is granted in the case of RSUs. The Board shall not, in the event of any such advancement or extension, be under any obligation to advance or extend the date on or by which any Option or SAR may be exercised or RSU may be outstanding by any other Participant.
- (5) The Committee 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 Committee.
- (6) 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 9 – MISCELLANEOUS

Section 9.1 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 Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

Section 9.2 Tax Withholding.

- (1) 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 and tax withholding 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 Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 9.1 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 Company, 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.
- (2) Notwithstanding the first paragraph of this Section 9.2, 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.

Section 9.3 Reorganization of the Company.

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

Section 9.4 Personal Information

Each Participant shall provide the Company and the Board with all information they require in order to administer the Plan. The Company 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 Company. 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 9.4, the Company 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 Company; (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 Company 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.

Section 9.5 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 Ontario and the laws of Canada applicable therein.

Section 9.6 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.

Section 9.7 Effective Date of the Plan.

The Plan was approved by the Board on April 22, 2021 and shall take effect on June 2, 2021, subject to the acceptance of the Plan by the shareholders of the Company, the TSXV and any other applicable regulatory authorities.

