



**Notice of Meeting
&
Management Information Circular**

Annual General Meeting of Shareholders to be held
on Thursday, December 12, 2024, 1:00 p.m. at

Executive Hotel Vancouver Airport
Executive Board Room
7311 Westminster Hwy
Richmond, BC, V6X 1A3

Dated as of October 25, 2024

RecycLiCo Battery Materials Inc.
#2-17942 55th Avenue Surrey, BC V3S 6C8

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the shareholders of RecycLiCo Battery Materials Inc. (the “**Company**”) will be held on **December 12, 2024 at 1:00 p.m. (Vancouver time)** at **Executive Hotel Vancouver Airport, Executive Board Room, 7311 Westminster Hwy, Richmond, BC V6X 1A3** for the following purposes:

1. to receive and consider the financial statements of the Company and the auditor's report thereon for the fiscal years ended July 31, 2023 and July 31, 2024;
2. To fix the number of directors at five (5);
3. To elect Richard Sadowsky, Paul Hildebrand, Andris Kikauka, Kurt Lageschulte and Rod Langtry as directors of the Company to serve and hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed;
4. to appoint De Visser Gray LLP as independent auditors of the Company for the next fiscal year, and to authorize the directors of the Company to fix their remuneration;
5. to consider, and, if deemed appropriate, to pass, an ordinary resolution approving and confirming all the acts and proceedings of the directors and officers of the Company made to the date hereof; and
6. to consider any permitted amendment to, or variation of, of any matter identified in this Notice of Meeting, and to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Accompanying this Notice of Meeting are a Management Information Circular, Proxy Form and a Financial Statement Request Form.

A shareholder entitled to vote is entitled to appoint a proxyholder to vote in his or her stead, and to attend the Meeting. If you are unable to attend the Meeting, or any adjournment thereof, in person, please date, execute, and return the enclosed form of proxy in accordance with the instructions set out in the notes to the proxy and any accompanying information from your intermediary.

DATED October 25, 2024

BY ORDER OF THE BOARD OF DIRECTORS

“Richard Sadowsky”

Richard Sadowsky
Director and Interim Chief Executive Officer

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PRELIMINARY NOTES

Unless otherwise indicated, the information contained in this Management Information Circular (“**Information Circular**”) will relate to the financial year ended July 31, 2024 (“**Fiscal 2024**”) and as of the date hereof.

In this Information Circular, references to “RecycLiCo”, the “Company”, “we”, “us” and “our” refers, to RecycLiCo Battery Materials Inc. and its subsidiaries collectively.

NOTICE AND ACCESS

The Company has elected to use the “notice-and-access” provisions under National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer (the “**Notice-and-Access Provisions**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators intended to reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post proxy-related materials in respect of a meeting of its shareholders online.

The Company will not use procedures known as “stratification” in relation to the use of the Notice-and-Access Provisions, meaning that both registered shareholders and Beneficial Shareholders will be mailed a notification of availability of Meeting materials directing them to those websites where they can access the Information Circular and other relevant information (the “**Notice-and-Access Notification**”). If you receive the Notice-and-Access Notification and would like to receive a paper copy of the Information Circular and the financial statements of the Company to be approved at the Meeting and the management’s discussion and analysis related to those financial statements (the “Financial Statements”), please follow the instructions printed on the Notice-and-Access Notification and the materials will be mailed to you at the Company’s expense.

The Company anticipates that notice-and-access will directly benefit the Company through substantial reductions in postage and printing costs. The Company believes that notice-and-access is more environmentally responsible to the extent that it reduces the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call Endeavor Trust Corporation toll free at 1 888 787 0888. The Meeting materials have been posted on <https://www.eproxy.ca/RecycLiCo/2024AGM/> and on the System for Electronic Document Analysis and Retrieval (“SEDAR+”) under the Company’s profile at www.sedarplus.ca. In order to receive a paper copy of this Information Circular and the Financial Statements, requests by shareholders may be made up to one year from the date the Information Circular is posted on the Company’s website by email to Endeavor Trust Corporation at proxy@EndeavorTrust.com or by calling toll-free at 1-888-787-0888.

To ensure that a paper copy of the Information Circular can be delivered to a requesting shareholder in time for such shareholder to receive and review the Information Circular and return the completed instrument of proxy or voting instruction form prior to the deadline of at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays as set out under the heading “Appointment and Revocation of Proxies” in this Information Circular, it is strongly suggested that a shareholder’s request is received no later than December 3, 2024. The Information Circular will be sent to such shareholders within three business days of their request if such requests are made before the Meeting. Following the Meeting, the Information Circular will be sent to such shareholders within ten days of their request.

Those registered shareholders and Beneficial Shareholders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting materials. Beneficial shareholders who are Objecting Beneficial Owners will not receive the Notice and Access Notification or the proxy

materials unless their intermediary assumes the costs of delivery.

MEETING TIME AND LOCATION

This Information Circular is furnished in connection with the solicitation of proxies by management of RecycLiCo Battery Materials Inc. (the “**Company**”) for use at the annual general meeting of shareholders (the “**Meeting**”) of the Company to be held at 1:00 p.m (Vancouver time), on December 12, 2024, at Executive Hotel Vancouver Airport, Executive Board Room, 7311 Westminster Hwy, Richmond, BC V6X 1A3 and any adjournment thereof, for the purposes set forth in the accompanying notice of meeting (the “**Notice**”).

The Company reserves the right to take any additional measures it deems appropriate for the Meeting in order to among other things protect the health and safety interests of its management and shareholders, including changing the Meeting date, time, location and/or means of holding the Meeting. Such changes will be announced by way of press release. Shareholders are advised to monitor the Company’s website at www.recyclico.com or SEDAR+ at www.sedarplus.com or filings of press releases announcing such changes. The Company does not intend to prepare an amended Information Circular with respect to any changes to the Meeting format.

Unless otherwise indicated, the information contained in this Information Circular is given as at October 25, 2024 and all currency figures are in Canadian dollars. The head office of the Company is located at Unit 2, 17942 55th Avenue, Surrey, British Columbia, V3S 6C8 and its telephone number is 778-574-4444.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Fixing Number of Directors

It is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles and notice of articles of the Company, be set at five (5) persons. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favor of setting the number of directors to be elected at the Meeting at five (5).

B. Election of Directors

The term of office of each present director expires at the Meeting. Management of the Company proposes to nominate the persons named in the following table for election to the board of directors (the “**Board**”) until the next annual shareholder meeting or until their successors are elected or appointed, unless their office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia). Unless otherwise instructed, the persons named in the enclosed form of proxy will be voted **FOR** the nominees listed below.

Information concerning the nominees, as furnished by them individually, is set forth below.

Name, Province and Country of Residence and Current Position with the Company	Director Since	Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised	Principal Occupation for the Past Five Years
Richard Sadowsky New York, USA <i>Director, Interim CEO</i>	October 31, 2023	Nil Common Shares 3,000,000 Stock Options	Interim CEO with the Company since October 2023, New York-based lawyer and Consultant at President Street Consultants, Inc.pl
Andris Kikauka⁽¹⁾ British Columbia, Canada <i>Director</i>	June 22, 1993	866,500 Common Shares 3,300,000 Stock Options	Self-employed geologist, Geo-Facts Specialists
Kurt Lageschulte New York, US <i>Director</i>	March 14, 2024	385,000 Common Shares 3,000,000 Stock Options	Partner & Senior Analyst at Broadbill Investment Partners, LLC
Paul Hildebrand⁽¹⁾ British Columbia, Canada <i>Chairman, Director</i>	October 22, 2021	200,000 Common Shares 4,000,000 Stock Options	Self-employed lawyer
Rod Langtry⁽¹⁾ British Columbia, Canada <i>Director</i>	October 31, 2023	984,760 Common Shares 3,000,000 Stock Options	President and CEO of Cascade Raider Holdings Ltd.

Notes:

(1) Denotes member of the Audit Committee.

Cease Trade Orders and Bankruptcies

Except as disclosed below, none of the nominees proposed to be director is or has been, within the ten years prior to the date hereof, a director or chief executive officer or chief financial officer of any company (including the Company) that: (i) was subject to an order that was issued while the proposed director was acting as a director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes hereof, “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

No proposed director of the Company is, at the date of this Information Circular, or has been within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Andris Kikauka was a director of the Company when it was issued a cease trade order on July 6, 2016, by the British Columbia Securities Commission (“BCSC”), the Alberta Securities Commission (“ASC”) and the Ontario Securities Commission (“OSC”). The cease trade orders were revoked on July 18, 2016, by all of the respective securities commissions.

Andris Kikauka was a director of MGX Minerals Inc. when it was issued a cease trade order by the BCSC, the ASC and the OSC on these dates: Nov. 29, 2019 (revoked January 2, 2020); Dec. 2, 2020 (revoked February 12, 2021); Dec 1, 2021; and Mar 2, 2022. The two earliest cease trade orders were revoked on January 2, 2020, and on Feb. 12, 2021 respectively by all of the applicable securities commissions. MGX currently remains under the active cease trade order issued on March 2, 2022.

Penalties and Sanctions

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Individual Bankruptcies

No proposed director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

C. Appointment of Auditor

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the approval for the appointment of De Visser Gray LLP as the auditor of the Company until the close of the next annual meeting of shareholders or until a successor is appointed, and to authorize the Directors to fix the auditor's remuneration. De Visser Gray LLP was first appointed as the auditor of the Company on October 28, 2014.

Fees Paid to Auditor

The aggregates fees paid by the Company to its auditor in each of the last two fiscal years are as follows:

	FY2024	FY2023
Audit fees	\$26,000	\$26,000
Audit related fees	n/a	n/a
Tax fees	\$2,000	\$2,000
All other fees	6,000	n/a

D. Approval of All Corporate Actions

Shareholders will be asked to approve and confirm all the acts and proceedings of the directors and officers of the Company made to the date hereof including those disclosed or referred to in the Company's minute books and records, in information disseminated by the Company to the shareholders, or in the financial statements of the Company.

At the Meeting shareholders will be asked to pass the following ordinary resolution (the “**Corporate Actions Resolution**”), which must be approved by at least a majority of the votes cast by shareholders represented in person or by proxy at the Meeting who vote in respect of the Corporate Actions Resolution:

“RESOLVED, as an ordinary resolution, that:

1. Notwithstanding:
 - (a) any failure to properly convene, constitute, proceed with, hold or record any meeting of the board of directors or shareholders of the Company for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with a notice of a meeting, have a quorum present at a meeting, sign the minutes of a meeting or sign a ballot electing a slate of directors; or
 - (b) any failure to pass any resolution of the directors or shareholders of the Company or any by-law of the Company for any reason whatsoever, all by-laws, approvals, appointments, elections, resolutions, contracts, acts and proceedings enacted, passed, made, done or taken since the last annual meeting of the shareholders of the Company (the “**Annual Meeting**”), including, but not limited to, the issuance of any shares, warrants, options or convertible debt, approval of interim and annual financial statements and filings of the Company, including those set forth or referred to in the minutes of the meetings, or resolutions of the board of directors or shareholders of the Company or other documents.
2. without limiting the generality of paragraphs above, all by-laws, resolutions, contracts, acts and proceedings of the company enacted, passed, made, done or taken since the Annual Meeting including all those set forth or referred to in the minutes or the meetings and resolutions of the board of directors in the minute and record book of the company or in the financial statements of the company are hereby approved, ratified and confirmed.

Management recommends that the shareholders vote in favour of the Corporate Actions Resolution.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy **FOR** the Corporate Actions Resolution.

GENERAL PROXY INFORMATION

Solicitation of Proxies

All costs of solicitation by management will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and employees may solicit proxies personally, by telephone or facsimile, but will not receive compensation for so doing.

Appointment of Proxyholder

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors (“**Directors**”) or officers (“**Officers**”) of the Company and were designated by management of the Company (the “**Management Proxyholder**”). **A shareholder wishing to appoint some other person who need not be a shareholder to represent the shareholder at the Meeting has the right to do so, by striking out the names of those persons named in the accompanying form of Proxy and inserting such other person's name in the blank space provided in the form of Proxy or by completing another form of Proxy.**

Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed form of

Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation by fax at 604-559-8908 or by mail or hand delivery to Endeavor Trust Corporation, #702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4.

A Proxy will not be valid unless the completed, dated and signed form of Proxy is received by Endeavor Trust Corporation not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment thereof.

Revocation of Proxy

A shareholder who has given a Proxy may revoke it by an instrument in writing which is:

- a) executed by the shareholder or by the shareholder's attorney authorized in writing or, where the shareholder is a company, by a duly authorized officer or attorney of the company; and
- b) delivered to either:
 - i) Endeavor Trust Corporation, #702 - 777 Hornby Street, Vancouver, BC, V6Z 1S4 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or
 - ii) the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

Only registered shareholders have the right to revoke a Proxy. Non-registered holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries (as defined below) to revoke the Proxy on their behalf. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

Exercise of Discretion by Proxyholders

Shares represented by properly executed Proxies in favour of persons designated in the enclosed form of Proxy will, where a choice with respect to any matter to be acted upon has been specified in the form of Proxy, be voted in accordance with the specification made. In the absence of any such specification, the Proxy will be voted as recommended by Management. Where directions are given by the shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

The enclosed form of proxy, when properly signed, confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters which may be properly brought before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters, which are not now known to Management, should properly come before the Meeting, then the Management designees intend to vote in accordance with the judgment of Management.

Non-Registered Holders

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders ("**Non-Registered Holders**") because the shares they own are not registered in their names but are instead registered in the name of (a) a brokerage firm, bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or (b) a clearing agency such as CDS & Co. (any of the foregoing, an "**Intermediary**"). **If you are a Non-Registered Holder, your shares can only be voted by the Intermediary in accordance with instructions received from you.**

In accordance with securities regulatory policy, the Company has distributed copies of the Notice, this Information Circular and the Proxy (collectively, the “**Meeting Materials**”) to the Intermediaries for distribution to Non-Registered Holders. Each Intermediary has its own voting instruction form and mailing procedures. Objecting beneficial owners (as such term is defined under National Instrument 54-101) will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery. Therefore, **if you receive the Meeting Materials from an Intermediary, you should carefully review the voting instructions provided by your Intermediary to ensure that you direct the voting of your shares in accordance with those instructions.**

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications (“**Broadridge**”), who typically sends their own voting instruction form (“**VIF**”) to Non-Registered Shareholders requesting them to provide voting instructions. **Please note a Broadridge VIF cannot be used to vote directly at the Meeting. If you are a Non-Registered Shareholder with a Broadridge VIF, you must follow the procedures set out by Broadridge, well in advance of the Meeting, for voting directly at the Meeting.**

Non-Registered Shareholders who wish to attend the Meeting and indirectly vote as proxyholder for the registered shareholder should contact their Intermediary well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Shares as a proxyholder.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company's authorized capital consists of an unlimited number of common shares without par value (the “**Shares**”). As at October 25, 2024 (the “**Record Date**”), there were 262,994,127 Shares issued and outstanding. Each share carries the right to one vote.

Any shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified herein, subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting.

To the best of the knowledge of the Directors or executive Officers, no person beneficially owns, directly or indirectly, or exercised control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Oversight and Determination of Compensation

The Board as a whole has the responsibility of determining compensation for directors and senior management. The Board determines the compensation package for each NEO (defined below) once a year, and due to the small size of the Company, the determination is based on the Directors' collective business experience and judgment rather than through a formal process with objective measures. Although no identifiable “peer group” is used as a compensation benchmark, the Board generally attempts to set each NEO's compensation to be commensurate with industry compensation of a similarly ranked executive.

In general, the Company's NEOs (defined below) may receive compensation that is a combination of (i) salary, wages or contractor payments; (ii) stock option grants; and (iii) bonuses, if any. No element of compensation is tied to a specific goal or performance criteria.

Director & NEO Compensation, Excluding Securities

The following table sets forth the particulars of compensation, excluding stock options and other compensation securities, paid to Directors and NEOs for the Company's two most recently completed financial years. NEOs are comprised of:

- a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

Name and Position	Fiscal year ended July 31,	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of all other compensation ⁽¹⁾	Total compensation
Richard Sadowsky <i>Interim CEO and Director</i>	2024	\$63,709	Nil	Nil	Nil	Nil	\$63,709
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Andris Kikauka <i>Director</i>	2024	\$27,000	Nil	Nil	Nil	\$Nil	\$27,000
	2023	\$12,000	Nil	Nil	Nil	\$Nil	\$12,000
Paul Hildebrand <i>Chairman & Director</i>	2024	\$27,000	Nil	Nil	Nil	Nil	\$27,000
	2023	\$12,000	Nil	Nil	Nil	Nil	\$12,000
Rod Langtry <i>Director</i>	2024	\$24,000	Nil	Nil	Nil	Nil	\$24,000
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Kurt Lageschulte <i>Director</i>	2024	\$19,131	Nil	Nil	Nil	\$Nil	\$19,131
	2023	Nil	Nil	Nil	Nil	\$Nil	\$Nil
Shaheem Ali <i>CFO and Former Director</i>	2024	\$182,217	Nil	Nil	Nil	\$2,880	\$185,097
	2023	\$142,500	Nil	Nil	Nil	\$2,880	\$145,380
Zarko Meseldzija <i>Former CEO and Director</i>	2024	\$151,247	Nil	Nil	Nil	\$1,470	\$152,717
	2023	\$172,500	Nil	Nil	Nil	\$2,520	\$172,020
Edward Skoda <i>Former Director</i>	2024	\$3,000	Nil	Nil	Nil	Nil	\$3,000
	2023	\$11,000	Nil	Nil	Nil	Nil	\$11,000

Notes:

- (1) The amounts in this column does not include the value of stock options granted to the individual, as such information is provided below.

Stock Options and Other Compensation Securities

The following table provides details of the stock option and other compensation securities grants made by the Company to its Directors and NEOs during the most recently completed financial year (ended July 31, 2024):

Compensation Securities						
Name and Position	Date of Issue/Grant, and Expiry Date	Type of Compensation Security	Number of Compensation Securities & Underlying Securities, and % of Class ⁽¹⁾	Issue, Conversion or Exercise Price (per share)	Closing Price of Security or Underlying Security	
					on Date of Grant	at Year End ⁽²⁾
Richard Sadowsky <i>Interim CEO and Director</i>	2024-Feb-07 2029-Feb-07	Stock option	3,000,000 1.14%	\$0.19	\$0.19	\$0.135
Shaheem Ali <i>CFO</i>	2024-Feb-07 2029-Feb-07	Stock option	2,000,000 0.76%	\$0.19	\$0.19	\$0.135
Andris Kikauka <i>Director</i>	2024-Feb-07 2029-Feb-07	Stock option	2,000,000 0.76%	\$0.19	\$0.19	\$0.135
Rod Langtry <i>Director</i>	2024-Feb-07 2029-Feb-07	Stock option	3,000,000 1.14%	\$0.19	\$0.19	\$0.135
Kurt Lageschulte <i>Director</i>	2024-April 12 2029-April -12	Stock option	3,000,000 1.14%	\$0.16	\$0.16	\$0.135
Paul Hildebrand <i>Chairman and Director</i>	2024-Feb-07 2029-Feb-07	Stock option	2,000,000 0.76%	\$0.19	\$0.19	\$0.135
Teresa Piorun <i>Senior Corporate Officer</i>	2024-Feb-07 2029-Feb-07	Stock option	500,000 0.19%	\$0.19	\$0.19	\$0.135

- (1) Each stock option allows the holder to purchase one common share (the underlying security) at the exercise price shown in the table, and accordingly, the number of compensation securities is the same as the number of underlying securities. Percentage of class is derived by dividing the number of underlying securities by 262,994,127 Shares (the number of Shares issued and outstanding as at the end of most recently completed fiscal year).
- (2) Closing price for Wednesday July 31, 2024.
- (3) Grants of stock options during the financial year ended July 31, 2024 were made under the Omnibus Plan approved by shareholders of the Company on October 31, 2023.

During the 2023 and 2024 financial years, the following stock options were exercised by the Company's Directors and NEOs:

Exercise of Compensation Securities by Directors and NEOs						
Name and Position	Date of Exercise	Number of Underlying Securities Exercised	Exercise Price per share (A)	Closing Price per share on Date of Exercise (B)	Difference between (A) and (B) on Date of Exercise	Total Value on Exercise Date
Ed Skoda <i>Former Director</i>	2023.05.23	100,000	\$0.21	\$0.365	\$0.155	\$15,500
	2023.06.27	250,000	\$0.21	\$0.41	\$0.20	\$50,000
	2023.07.04	100,000	\$0.24	\$0.46	\$0.22	\$22,000
Larry Reaugh <i>Former Director & CEO</i>	2023-06-08	1,000,000	\$0.24	\$0.335	\$0.095	\$133,000
	2023.09.13	600,000	\$0.21	\$0.355	\$0.145	\$87,000
	2023.09.19	810,000	\$0.21	\$0.34	\$0.13	\$105,300

Omnibus Equity Incentive Plan

The purpose of the Omnibus Plan is to: (i) increase the interest in the Company's welfare by its directors, officers, employee, management company of employee or consultants of the issuer ("**Eligible Persons**"); and (ii) to retain and reward certain Eligible Persons, and attract and retain other persons to the Company. The Omnibus Plan is a "fixed" plan for the grant of such number of stock options ("**Options**"), such number of share units ("**Share Units**"), such number of deferred share units ("**DSUs**") or such number of stock appreciation rights ("**SAR**" collectively, with Options, Share Units and DSUs, the "**Awards**") as is equal to 20% of the issued and outstanding common shares of the Company.

Summary of the Omnibus Plan

The Omnibus Plan is administered by the Board, which will have the full and final authority with respect to the granting of all Awards thereunder.

The Board may grant Awards only to those who are Eligible Persons at the time of grant, except for DSUs, which can be granted only to those who are non-employee Directors at the time of grant. Investor relations service providers can only be granted Options.

In any 12-month period, the number of shares which may be reserved for issuance pursuant to all Awards granted to:

- i) insiders as a group shall not exceed 10% of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained;
- ii) any one person shall not exceed 5% of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained;
- iii) any one consultant shall not exceed 2% of the total issued and outstanding shares (on a non-diluted basis) on the grant date of the Award; and

- iv) investor relations service providers, in aggregate, shall not exceed 2% of the total issued and outstanding shares (on a non-diluted basis) as at the date of grant of the most recent Option to be granted to an investor relations service provider.

In addition, at any point in time, the number of Shares which may be reserved for issuance pursuant to all Awards granted to:

- v) Insiders as a group shall not exceed 10% of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained.

Options

Options may be granted under the Omnibus Plan to such Eligible Persons of the Company, as the Board may from time to time designate. The Board will 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 Eligible Participant and ending as specified in the Omnibus Plan, or in the Option agreement, but in no event will an Option expire on a date which is later than ten (10) years from the date it is granted. Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.

The vesting provisions of Options will be determined by the Board but the Options in a grant to an Investor Relations Service Provider must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period.

The Board shall determine the exercise price, which: i) shall not be less than the discounted market price. If no news release is made, the discounted market price is the last closing price before the grant date less any applicable discount; ii) if Shares were suspended or halted before the grant date, the price is set after 10 trading days once a satisfactory market is established; iii) if the Option is granted within 90 days of a prospectus distribution, the minimum exercise price is the greater of the discounted market price and the public investors' per Share price; and iv) in all other cases, the price follows the applicable Securities Laws and regulatory bodies.

Share Units

The Board shall set the expiry date for any Share Unit to be granted, provided that the term must not be more than 3 years.

The vesting schedule for Share Units will be determined by the Board which must be no earlier than one year after the Share Unit's date of grant. In addition to the vesting schedule, performance conditions for each share unit will be set by the Board and these conditions must be met before the share units can be settled by the issuer.

DSUs

The Board may allow Non-Executive Directors to have their director fees, in part or in whole, satisfied with DSUs instead of cash. The expiry date of such DSU to be granted shall be set by the Board provided that the term must not be more than one year after the participant's termination date. The DSUs shall not vest until one year after its issuance.

SAR

The Board shall set the expiry date for the SAR and the SAR shall not vest until one year after its issuance.

Upon exercise of a SAR, the Participant will receive an amount in cash equal to the Fair Market Value of one Share on the date of exercise, minus the grant price of the SAR which must not be less its Fair Market Value on the date of grant. At the Board’s discretion, payment of a SAR exercise may be made in cash, in Shares of equivalent value, or some combination thereof.

Awards may terminate as follows:

- (i) immediately in the event of dismissal with cause;
- (ii) the earlier of 30 days from date of termination other than for cause or the original expiry date of such Awards in the event of termination other than for cause
- (iii) the earlier of 12 months after termination date in the event of termination due to disability or the original expiry date of such Awards in the event of terminalisation due to disability
- (iv) the earlier of 12 months from the date of death or the original expiry date of such Awards in the event of death. Any heir, personal representative or administrator of the Participant’s estate must make any claim to the Participant’s outstanding Awards within 12 months of the Participant’s death.

Awards granted under the Omnibus Plan are not transferable or assignable and may only be exercised by the Participant to whom the Award was granted, or upon death by a legal representative, heir or administrator of the Participant. Any Award that has been settled in cash (except for Options exercised using the “net exercise” or “cashless exercise” method), cancelled, terminated, surrendered, forfeited or expired without being exercised, and pursuant to which no securities have been issued, will continue to be issuable under this Omnibus Plan. Each Award issued under the Omnibus Plan must be evidenced by an award agreement which will subject to the applicable provisions of the Omnibus Plan.

Prior Option Plan

Prior to the adoption of the Omnibus Plan on October 31, 2023, the Company had a fixed “20%” stock option plan. As the Company has now adopted the Omnibus Plan, no further stock options will be granted under the prior stock option plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of Fiscal 2024.

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 plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	27,900,000 common shares ⁽¹⁾	\$.50	24,698,825 common shares ⁽²⁾
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
Total	27,900,000 common shares		24,698,825 common shares

(1) These shares are to be issued upon exercise of outstanding incentive stock options.

- (2) Under the Company's Omnibus Plan, a maximum of [52,598,825] common shares can be reserved for issuance pursuant to the exercise of stock options granted, of which 27,900,000 have been granted. An additional 24,698,825 options remain outstanding under the Company's prior stock option plan.

The Omnibus Plan is the Company's only active equity compensation plan. For material features of the Plan, please see "Omnibus Plan" above.

Employment, Consulting and Management Agreements

The Company has a written employment with Shaheem Ali, Chief Financial Officer. The agreement has no fixed term. Under this agreement, the Company may terminate Mr. Ali's employment upon payment of 18 months base salary. Upon the occurrence of a change of control, Mr. Ali can terminate the agreement at his discretion and receive a severance package equivalent to double the amount received for termination without cause. Based on Mr. Ali's current base salary, the estimated payment to Mr. Ali (a) upon termination of employment by the Company without cause is approximately \$270,000.00, or (b) upon termination of employment by Mr. Ali following a change of control of the Company is approximately \$270,000.00. All stock options granted to Mr. Ali also immediately vest upon termination due to a change of control.

CORPORATE GOVERNANCE

Board of Directors

The Board will consist of five Directors, all of whom are independent except for Richard Sadowsky (who is the Company's Interim CEO). None of the other Directors or proposed Directors is: (i) an Officer or employee of the Company; (ii) a party to a material contract with the Company or has a material interest in a transaction involving the Company; or (iii) the recipient of remuneration from the Company other than incentive stock options disclosed herein.

Directorships

As at the date hereof, the following Directors are also directors of other reporting issuers as set out below:

<u>Director</u>	<u>Name of Reporting Issuer</u>
Andris Kikauka	MGX Minerals Inc.

Orientation and Continuing Education

The Board provides ad hoc orientation for new directors. All Directors receive a Director's manual containing a record of historical public information about the Company, copies of the Company's charters and other relevant information. The Board also arranges meetings with management to provide a review of the nature and operations of the Company.

The Board provides continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to understand to meet their obligations as directors. All of the Directors are actively involved in their respective areas of expertise, and they are encouraged to keep themselves current with industry trends and changes in legislation by liaising with management and the Company's counsel, attending industry-related events and other educational seminars. The cost of continuing education activities will be borne by the Company.

Ethical Business Conduct

The Board has adopted and maintains a code of ethics which is applicable to the Company's Directors, Officers and employees. The purpose of the code is to provide guidance and to prohibit unethical behavior with respect to issues such as conflicts of interest, confidentiality, whistleblowing, protection of corporate assets and opportunities, and compliance with laws and regulations. Furthermore, Directors are frequently reminded to consider whether they are in a conflict of interest by virtue of serving as directors or officers in other companies or holding an interest in a transaction or agreement. A Director in such circumstances is advised to disclose his or her interest in a transaction or agreement, and if the Board considers the interest to be material, such Director must abstain from discussing and voting on the matter.

Nomination of Directors

Given the small size of the Company and its stage of development, the Board has not appointed a nomination committee or put in place formal procedure for the identification of potential Board candidates. Since the size of the Board is limited, the functions of such a committee can be served by the Board as a whole.

Compensation

The Board as a whole determines the compensation of the Directors and the CEO. In setting compensation, the Board is guided by the nature of the Company's business, the Company's size and stage of development, current industry practices and the resources available to provide compensation. The Board will from time to time seek out the compensation policies of other comparable companies to ensure that the Company is able to attract and retain its directors and officers. Currently, it is the Board's policy to compensate its Directors and CEO with equity options in order to align the interest of Directors with those of the Company's shareholders.

Other Board Committees

The Company has no committee other than its Audit Committee at this point.

Assessments

Members of the Board are expected to continually evaluate the effectiveness of the Board, its committees and fellow Directors by considering the accomplishment, or lack thereof, of the Company's goals. Furthermore, the Board is of the view that the Company's shareholders are the most important assessors of Board performance and that they provide the most effective, objective assessment of the Board's performance.

AUDIT COMMITTEE

The Audit Committee's Charter

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

Composition of the Audit Committee

All three members of the Audit Committee — Andris Kikauka, Paul Hildebrand and Rod Langtry are independent members.

Relevant Education and Experience

Andris Kikauka is a graduate of Brock University, St. Catharines, Ontario with an Honours Bachelor

of Science Degree in Geological Sciences, 1980. He is a member of the Geological Association of Canada. He is registered in the Province of British Columbia as a Professional Geoscientist. Mr. Kikauka has practiced his profession for twenty years in precious and base metal exploration in the Cordillera of Western Canada working for Anaconda Canada Exploration (1980-1984), Skyline Explorations, Inel Resources, Gulf International Minerals (1985-1989), in South America working for Carson Gold (1990), in Mexico and Guatemala working mineral exploration projects for Francisco Gold and Almaden Minerals (1996-2006) and for three years in uranium exploration in the Canadian Shield working for Rayrock Mines and Uran-Canada (1977-1979).

Paul Hildebrand has been a practicing lawyer in British Columbia for over 40 years. In addition to a LLB (law), he holds a B.Sc. in mathematics, M.A. in economics and Ph.D. in economics, all from the University of British Columbia. He was previously a director of the Company from 2007 to 2013.

Rod Langtry is the President and Chief Executive Officer of Cascade Raider Holdings which specializes in negotiating multi-year contracts with essential corporations including utilities, construction companies, and ports. His nearly 30-year experience in the industrial, construction, and hardware distribution sector has led him to grow his company through partnerships with premium, reputable industrial and safety companies. His career extends across business strategies and corporate sustainability, commercial real estate investments, and organizational and operational development.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of National Instrument 52-110 (the "Instrument"), or an exemption from the Instrument, in whole or in part, granted under Part 8 thereof.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies or procedures for the engagement of non-audit services. Generally, management is responsible for ensuring that any required non-audit services are performed in a timely manner, subject to review by the Board or the Audit Committee.

Exemption

The Company is relying on the exemption provided by Section 6.1 of the Instrument.

Other Corporate Governance Matters

The Company pursued a listing on Cboe Canada in 2024. In order to comply with Cboe Canada's listing requirements and in anticipation of the eventual listing, the Company adopted a Majority Voting Policy and amended its Audit Committee Charter effective August 1, 2024.

The Company has since abandoned the proposed listing on Cboe Canada, and both the Majority Voting Policy and the amendments to the Audit Committee Charter have been repealed. For greater certainty, the Audit Committee Charter attached as Appendix "A" to this Information Circular is the current Audit Committee Charter.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Directors, executive Officers or proposed nominees for election as Directors, executive Officers or their respective associates or affiliates, or other management of the Company is or has been indebted to the Company as at the date hereof.

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

Except as disclosed herein, no person: (a) who has been a Director or executive Officer at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a Director; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b), has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of Directors and the appointment of auditors and as set out herein.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a Director, Officer or holder of 10% or more of the Shares) or nominee for election as a Director or any associate or affiliate of any informed person or proposed Director has had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the most recently completed financial year, or has any interest in any material transaction in the current year, other than as set out herein.

MANAGEMENT CONTRACTS

Management functions of the Company are not to any substantial degree performed by a person or company other than the Directors or executive Officers.

OTHER BUSINESS

As of the date of this Information Circular, management is not aware of any other matters to come before the Meeting. The securities represented by the Proxy will be voted as directed by the holder, but if such direction is not made in respect of any matter, the Proxy will be voted as recommended by Management.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.com. Financial information relating to the Company is provided in the Company's comparative financial statements and management's discussion and analysis ("MD&A") for its most recently completed financial year ended July 31, 2024. Shareholders may contact the Company to request copies of the financial statements and the MD&A, once available.

DATED at Surrey, British Columbia, this October 25, 2024

BY ORDER OF THE BOARD OF DIRECTORS

"Richard Sadowsky"

Richard Sadowsky
Director and Interim CEO

Appendix "A"

RecycLiCo Battery Materials Inc.
AUDIT COMMITTEE CHARTER

1. MANDATE

The primary mandate of the audit committee (the "Committee") of the board of directors (the "Board") of the Company is to assist the Board in overseeing the Company's financial reporting and disclosure. This oversight includes:

- a) reviewing the financial statements and financial disclosure that is provided to shareholders and disseminated to the public;
- b) reviewing the systems of internal controls to ensure integrity in the financial reporting of the Company; and
- c) monitoring the independence and performance of the Company's external auditors and reporting directly to the Board on the work of the external auditors.

2. COMPOSITION AND ORGANIZATION OF THE COMMITTEE

- a) The Committee shall be comprised of at least three directors.
- b) The majority of the Committee members must be independent. A member of the Committee is independent if the member has no direct or indirect material relationship with an issuer. A material relationship means a relationship, which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment.
- c) Every Committee member must be financially literate. Financial literacy is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.
- d) The members of the Committee shall be appointed for one-year terms by the Board at its first meeting following the annual shareholders' meeting. Members may serve for any number of consecutive terms.
- e) Unless the Board shall have appointed a chair of the Committee (the "Chair"), the members of the Committee shall elect a Chair, who may serve as such for any number of consecutive terms.
- f) The Board may at any time remove or replace any member of the Committee and may fill any vacancy of the Committee.

3. MEETINGS

- a) The Audit Committee will meet at least twice per year.
- b) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to communicate with each other.

- c) The Audit Committee Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to Audit Committee members for members to have a reasonable time to review the materials prior to the meeting.

4. RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

The Audit Committee will perform the following duties:

External Auditor

- a) Select, evaluate and recommend to the Board, for shareholder approval, the external auditor to examine the Company's accounts, controls and financial statements, and verify the independence of such auditors;
- b) Evaluate, prior to the annual audit by external auditors, the scope and general extent of their review, including their engagement letter, and the compensation to be paid to the external auditors and recommend such payment to the Board;
- c) Obtain written confirmation from the external auditor that it is objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs;
- d) Review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- e) Recommend to the Board, if necessary, the replacement of the external auditor;
- f) Meet at least annually with the external auditors, independent of management, and report to the Board on such meetings;
- g) Pre-approve all audit and audit-related services and any non-audit services to be provided to the Company by the external auditor and the fees related thereto;

Financial Statements and Financial Information

- a) Review and discuss with management and the external auditor the annual audited financial statements of the Company and recommend their approval by the Board;
- b) Review and discuss with management, the quarterly financial statements and recommend their approval by the Board;
- c) Review and recommend to the Board for approval the financial content of the annual report;
- d) Review the process for the certification of financial statements by the Chief Executive Officer and Chief Financial Officer;
- e) Review the Company's management discussion and analysis, annual and interim earnings or financial disclosure press releases, and audit committee reports before the Company publicly discloses this information;
- f) Review annually with external auditors, the Company's accounting principles and the reasonableness of managements judgments and estimates as applied in its financial reporting;

- g) Review and consider any significant reports and recommendations issued by the external auditor, together with management's response, and the extent to which recommendations made by the external auditors have been implemented;

Risk Management, Internal Controls and Information Systems

- a) Review with the external auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls;
- b) Review adequacy of security of information, information systems and recovery plans;
- c) Review management plans regarding any changes in accounting practices or policies and the financial impact thereof;
- d) Review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- e) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- f) Discuss with management and the external auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure;
- g) Assisting management to identify the Company's principal business risks;
- h) Review the Company's insurance, including directors' and officers' coverage, and provide recommendations to the Board;

Other

- a) Review and update this Charter annually;
- b) Review Company loans to employees/consultants;
- c) Review any related party transactions; and
- d) Conduct special reviews and/or other assignments from time to time as requested by the Board.

5. PROCESS FOR HANDLING COMPLAINTS REGARDING FINANCIAL MATTERS

- a) The Audit Committee shall establish a procedure for the receipt, retention and follow-up of complaints received by the Company regarding accounting, internal controls, financial reporting, or auditing matters.
- b) The Audit Committee shall ensure that any procedure for receiving complaints regarding accounting, internal controls, financial reporting, or auditing matters will allow the confidential and anonymous submission of concerns by employees.

6. REPORTING

The Audit Committee will report to the Board on:

- a) The external auditor's independence;
- b) The performance of the external auditor and the Audit Committee's recommendations;
- c) Regarding the reappointment or termination of the external auditor;
- d) The adequacy of the Company's internal controls and disclosure controls;
- e) The Audit Committee's review of the annual and interim financial statements;
- f) The Audit Committee's review of the annual and interim management discussion and analysis;
- g) The Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- h) All other material matters dealt with by the Audit Committee.

7. AUTHORITY OF THE COMMITTEE

- a) The Audit Committee will have the resources and authority appropriate to discharge its duties and responsibilities. The Audit Committee may at any time retain outside financial, legal or other advisors at the expense of the Company without approval of management.
- b) The external auditor will report directly to the Audit Committee.

Appendix "B"

OMNIBUS EQUITY INCENTIVE PLAN

RecycLiCo Battery Materials Inc.
OMNIBUS EQUITY INCENTIVE PLAN

Effective as of October 31,
2023

Part 1. INTERPRETATION

- 1.1 **Defined Terms.** For the purposes of this Plan, the following terms shall have the following meanings:
- (a) “**Affiliate**” shall have the meaning ascribed to it in Policy 1.1 of the Manual.
 - (b) “**Applicable Laws**” means all applicable rules, regulations, policies, notices, rulings, orders and legislation of any kind whatsoever of any government, regulatory authority or stock exchange having jurisdiction over either the Issuer or the Participant.
 - (c) “**Associate**” shall have the meaning ascribed to it in Policy 1.1 of the Manual.
 - (d) “**Award**” means any Option, Share Unit, DSU or SAR granted under this Plan.
 - (e) “**Blackout Period**” means a period of time during which the Participants are prohibited by the Issuer from exercising or settling their Awards due to the bona fide existence of undisclosed material information, and which period expires upon the general disclosure of the undisclosed material information.
 - (f) “**Board**” means the board of directors of the Issuer or any committee thereof duly empowered or authorized to grant Awards under this Plan.
 - (g) “**Business Day**” means any day which is not a Saturday, Sunday or a day on which the Issuer’s bank is closed for business.
 - (h) “**Capital Alteration Adjustment**” means the adjustments set out in section 9.1.
 - (i) “**Cash Equivalent**” means the amount of cash to be paid in lieu of issuing one Share, such amount being the closing price of Shares on the Trading Day immediately before the date of settlement or value determination.
 - (j) “**Change of Control**” means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Issuer which results in Shareholders holding, directly or indirectly, less than 50% of the outstanding voting securities of the successor corporation after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Issuer and/or any of its subsidiaries to any other Person, other than disposition to a wholly-owned subsidiary in the course of a reorganization of the assets of the Issuer and its subsidiaries;
 - (iii) a resolution is adopted to windup, dissolve or liquidate the Issuer;
 - (iv) an acquisition by any Person or group of Persons acting jointly or in concert of beneficial ownership of more than 50% of the Shares; or

- (v) the Board adopts a resolution to the effect that a Change of Control (as defined herein) has occurred or is imminent.
- (k) “**Corporate Entity**”, unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
- (l) “**Consultant**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (m) “**Director**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (n) “**Discounted Market Price**” shall have the meaning ascribed to it in Policy 1.1 of the Manual.
- (o) “**Distribution**” means the sale of securities from the treasury of the Issuer, the sale of securities by a purchaser who acquired securities under an exemption from the Prospectus requirements of applicable Securities Laws, other than in accordance with the applicable Resale Restrictions, or the sale of securities by a Control Person (as that term is defined under Exchange policies) other than in accordance with the applicable Resale Restrictions.
- (p) “**Eligible Person**” means a Director, Officer, Employee, Management Company Employee or Consultant of the Issuer.
- (q) “**Employee**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (r) “**Exchange**” means the TSX Venture Exchange.
- (s) “**Exchange Hold Period**” has the meaning ascribed to it in Policy 1.1 of the Manual
- (t) “**Fair Market Value**” means the fair market value of a Share on a particular date, which is to be determined as follows:
 - (i) If the Shares are listed on the Exchange, the Shares’ fair market value shall be the closing price of the last Trading Day.
 - (ii) If there is no established market for the Shares on the date in question, the Shares’ fair market value will be determined in good faith by Board.
- (u) “**Insider**” shall have the meaning ascribed to it in Policy 1.1 of the Manual.
- (v) “**Investor Relations Activities**” has the meaning ascribed to it in Policy 1.1 of the Manual.
- (w) “**Investor Relations Service Provider**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (x) “**Issuer**” means Archon Minerals Limited and includes, unless the context otherwise requires, all of its subsidiaries, Affiliates and successors according to law.
- (y) “**Management Company Employees**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (z) “**Manual**” means the Exchange’s Corporate Finance Manual
- (aa) “**Market Price**” shall have the meaning ascribed to it in Policy 1.1 of the Manual.
- (bb) “**Non-Executive Director**” means a Director who is not also an Officer or Employee.
- (cc) “**Officer**” has the meaning ascribed to it in Policy 1.1 of the Manual.

- (dd) “**Option**” means a right granted by the Issuer to an Eligible Person to purchase Shares in accordance with this Plan.
- (ee) “**Participant**” means an Eligible Person to whom an Award has been granted.
- (ff) “**PSU**” or “**Performance Share Unit**” means an Award entitling the Participant to receive Shares, their Cash Equivalent or a combination of both, upon meeting certain conditions which usually includes Performance Conditions.
- (gg) “**Person**” means a Corporate Entity or individual.
- (hh) “**Plan**” means this omnibus equity incentive plan.
- (ii) “**Prospectus**” means a disclosure document required to be prepared in connection with a public offering of securities and which complies with the form and content requirements of a prospectus as described in applicable Securities Laws.
- (jj) “**Resale Restrictions**” means restrictions on the ability to trade securities, including restrictions imposed under applicable Securities Laws such as hold periods, notice requirements and any restrictions under applicable escrow or pooling agreements.
- (kk) “**RSU**” or “**Restricted Share Unit**” means an Award entitling the Participant to receive Shares, their Cash Equivalent or a combination of both, upon meeting certain conditions which usually includes the Participant fulfilling a period of continuous employment with the Issuer.
- (ll) “**SAR**” or “**Stock Appreciation Right**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (mm) “**Securities for Services**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (nn) “**Security Based Compensation Plan**” includes any plan regarding the Issuer’s Option, Share Unit, SAR, Securities for Services, Share Purchase Plan and/or any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Issuer from treasury to an Eligible Person.
- (oo) “**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Issuer.
- (pp) “**Shareholders**” means the Issuer’s shareholders.
- (qq) “**Share Purchase Plan**” has the meaning ascribed to it in Policy 4.4 of the Manual.
- (rr) “**Share Unit**” means a RSU or PSU, as applicable.
- (ss) “**Shares**” means the common shares without par value in the capital of the Issuer.
- (tt) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Person.
- (uu) “**Trading Day**” means any day on which the Exchange is open for trading.
- (vv) “**VWAP**” means the volume-weighted average trading price of the Shares on the Exchange, calculated by dividing the total value by the total volume of the Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

- 1.2 **Number and Gender.** This Plan is to be read with all changes in gender or number as required by the context.
- 1.3 **Headings.** The headings in this Plan are for convenience of reference only and do not affect the interpretation of this Plan.
- 1.4 **Governing Law.** This Plan, any amendment, addendum or supplement hereto, and all other documents relating hereto will be governed by and construed in accordance with the laws of British Columbia. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of British Columbia with respect to any dispute related to or arising from this Plan.
- 1.5 **Statutes.** Unless otherwise stated, any reference to a statute includes and is a reference to such statute and to the regulations made pursuant to it, with all amendments thereto and in force from time to time, and to any statute or regulations that may be passed which supplement or supersede such statute or such regulations.

Part 2. GENERAL PARTICIPATION REQUIREMENTS

- 2.1 **Eligibility.** The Board may grant Awards only to those who are Eligible Persons at the time of grant, except for DSUs, which can be granted only to those who are Non-Employee Directors at the time of grant. Investor Relations Service Providers can only be granted Options.
- 2.2 **Award Agreements.** Each Award under this Plan must be evidenced by an Award Agreement, which will be subject to the applicable provisions of this Plan. Any Director or Officer of the Issuer is authorized and empowered to execute and deliver an Award Agreement on behalf of the Issuer.
- 2.3 **Non-Transferable and No Change of Control.** Any Award granted hereunder shall not be assignable or transferable, except by will or the laws of descent and distribution to the legal representatives, heirs or administrators of the Participant after death. Any Corporate Entity to be granted an Award, other than a Consultant Company, must agree not to effect or permit any transfer of ownership or option of such Corporate Entity's securities, nor to issue further shares of any class in the Corporate Entity to any other individual or entity as long as the Award remains outstanding, except with the Exchange's prior written consent.
- 2.4 **Representation by Issuer.** The Issuer and the Participant shall, for any Award granted to an Employee, Consultant or Management Company Employee, jointly represent to the Exchange that such Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

Part 3. AWARD LIMITATIONS

- 3.1 **Maximum Number of Shares.** The maximum number of Shares that may be reserved for issuance pursuant to the exercise or settlement of Awards is **52,598,825** Shares.
- 3.2 **Return to Pool.** Any Award that has been settled in cash (except for Options exercised using the "net exercise" or "cashless exercise" method), cancelled, terminated, surrendered, forfeited or

expired without being exercised, and pursuant to which no securities have been issued, will continue to be issuable under this Plan.

3.3 **Limitations for Certain Eligible Persons.** In any 12-month period, the number of Shares which may be reserved for issuance pursuant to all Awards granted to:

- (a) *Insiders as a group* shall not exceed **10%** of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained;
- (b) *any one Person* shall not exceed **5%** of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained;
- (c) *any one Consultant* shall not exceed **2%** of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award; and
- (d) *Investor Relations Service Providers, in aggregate*, shall not exceed **2%** of the total issued and outstanding shares of the Issuer (on a non-diluted basis) as at the date of grant of the most recent Option to be granted to an Investor Relations Service Provider.

In addition, at any point in time, the number of Shares which may be reserved for issuance pursuant to all Awards granted to:

- (e) *Insiders as a group* shall not exceed **10%** of the total issued and outstanding Shares (on a non-diluted basis) on the grant date of the Award, unless disinterested shareholder approval is obtained.

Part 4. STOCK OPTIONS

1.2 **Term of Options.** The Board shall set the expiry date for any Option to be granted, provided that the term must not be more than 10 years in any case.

1.3 **Exercise Price.** The Board shall determine each Option's exercise price, subject to the following:

- (a) the exercise price shall not be less than the Discounted Market Price, provided that if a news release was not disseminated to announce the grant and the exercise price of an Option, the Discounted Market Price is the last closing price of the Shares before the grant date of the Option less the applicable discount;
- (b) if the Shares had been suspended or halted just before the grant date, the exercise price shall not be set until the Exchange has determined that a satisfactory market has been established, which at minimum must be at least 10 Trading Days from the date on which trading in the Issuer's securities resumes;
- (c) if the Option is granted within 90 days of a Distribution by a Prospectus, the minimum exercise price per Share shall be the greater of the Discounted Market Price and the per Share price paid by the public investors for Shares acquired under the Distribution; and
- (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of the applicable Securities Laws and regulatory bodies.

- 1.4 **Vesting of Options.** The Board may establish a vesting period for each Option, but the Options in a grant to an Investor Relations Service Provider must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period.
- 1.5 **Acceleration of Unvested Options.** In the event of a takeover bid or a change of control (as defined by Exchange policies at such time), the Board may in its discretion determine that all outstanding Options, except for those Options granted to Investor Relations Service Providers for which the prior written approval of the Exchange must be obtained, will immediately vest and if not immediately exercised, such Options will be terminated on the tender date for the takeover bid or on the date that the change of control will be completed.
- 1.6 **Manner of Exercise.** A Participant who wishes to exercise his Option, in its entirety or any portion thereof, must execute and deliver the notice of exercise contained in his Option agreement, and furnish payment in accordance with the instructions in such Option agreement.
- 1.7 **Net Exercise and Cash Exercise.** Subject to the prior approval of the Board, a Participant may elect to exercise an Option by performing:
- (a) a “net exercise” procedure in which the Issuer issues to the Participant (which shall not include any Investor Relations Service Provider) that number of Shares equal to the result determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Shares; or
 - (b) a broker assisted “cashless exercise” in which the Issuer delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Issuer to sell the Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Issuer an amount equal to the exercise price and all applicable required withholding obligations as determined by the Issuer against delivery of the Shares to settle the applicable trade.

Participants wishing to perform either the “net exercise” or the “cashless exercise” procedure, set forth above, must deliver to the Issuer (i) a written notice of exercise specifying that the Participant has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Participant or the Issuer arising under applicable law and verified by the Issuer to its satisfaction (or by entering into some other arrangement acceptable to the Issuer in its discretion, if any). Such Participant must also comply with any applicable withholding obligations set out in this Plan, along with such other procedures and policies as the Issuer may prescribe or determine to be necessary or advisable from time to time.

In the event of a “net exercise” or “cashless exercise”, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Issuer, must be included in calculating the limits set forth in sections 3.1, 3.3 and 10.8 of this Plan.

- 1.8 **Option Amendment.** Any amendment to the following terms must be approved by the Exchange prior to the exercise of such Options:
- (a) *Exercise Price.* The exercise price of an Option may be amended only if at least six (6) months have elapsed since the later of:
 - (i) the date of grant; or

- (ii) the date of the last amendment of the exercise price.
- (b) *Term.* An Option must be outstanding for at least one year before the Issuer may extend its term. The term of an Option cannot be extended so that the effective term of the Option exceeds 10 years in total. Any extension of the length of the term of the Option is treated as a grant of a new Option, which must comply with pricing and other requirements of this Plan.

Part 5. SHARE UNITS

- 5.1 **Term of Share Unit.** The Board shall set the expiry date for any Share Unit to be granted, provided that the term must not be more than 3 years or such other period as may be required to avoid the Share Unit being deemed a “salary deferral arrangement” as defined in section 248(1) of the *Income Tax Act* (Canada).
- 5.2 **Vesting of Share Units.** For each Share Unit being granted, the Board shall establish a vesting schedule which must be no earlier than one year after the Share Unit’s date of grant.
- 5.3 **Performance Conditions.** In addition to the vesting schedule, the Board may set conditions (“Performance Conditions”) for each Share Unit which must be met before the Share Unit can be settled. Such Performance Conditions may include achieving business metrics such as a target stock price or target earnings per share, and the Performance Condition may specify that the Participant earns more Share Units if the actual results exceed the target business metric. Performance Conditions need not be uniform amongst Participants. If a Performance Condition requires an objective being met by a certain date, the Share Unit shall be cancelled and nullified if such Performance Condition is not met by the specified date.
- 5.4 **Settlement of Share Units.** Provided a Share Unit has vested and all Performance Conditions (if any) for such Share Unit have been met, the Issuer shall settle the Share Unit by issuing the Participant, in the Issuer’s sole discretion over which choice, one of the following:
 - (a) one Share;
 - (b) Cash Equivalent of one Share; or
 - (c) combination of Shares and Cash Equivalent, provided that more than one Share Unit is being settled and the Issuer is designating a portion of the aggregated Share Units to be settled with Shares.

Unless specified otherwise in the Share Unit agreement, the settlement date shall be the third Business Day after the date on which all vesting and applicable Performance Conditions have been satisfied.

Part 6. DEFERRED SHARE UNITS

- 6.1 **Grant of DSUs.** From time to time, the Board may allow Non-Executive Directors to have their director fees, in part or in whole, satisfied with DSUs instead of cash. On such occasion, the Board shall provide the Participant with a DSU agreement which specifies the maximum amount of director fees that may be satisfied with DSUs, and contains a form whereby the Participant can elect the

amount of fees to be satisfied with DSUs. The date of grant for a DSU shall be the date on which the Participant completes and executes the applicable DSU agreement.

- 6.2 **Term of DSUs.** The Board shall set the expiry date for any DSU to be granted, provided that the term must not be more than one year after the Participant's Termination Date.
- 6.3 **Vesting.** DSUs shall not vest until one year after its issuance.
- 6.4 **Settlement of DSUs.** The Issuer shall settle a vested DSU by issuing the Participant, in the Issuer's sole discretion over which choice, one of the following:
- (a) one Share;
 - (b) Cash Equivalent of one Share; or
 - (c) combination of Shares and Cash Equivalent, provided that more than one DSU is being settled and the Issuer is designating a portion of the aggregated DSUs to be settled with Shares.

Unless specified otherwise in the DSU agreement, the settlement date shall be the third Business Day after the Participant's Termination Date.

Part 7. STOCK APPRECIATION RIGHTS

- 7.1 **Term of SARs.** The Board shall set the expiry date for any SAR to be granted, provided that the term must be a time period which will not result in the SAR being deemed a "salary deferral arrangement" as such term is defined in section 248(1) of the *Income Tax Act* (Canada).
- 7.2 **Vesting.** SARs shall not vest until one year after its issuance.
- 7.3 **Exercise of SARs.** Upon exercise of a SAR, the Participant will receive an amount in cash equal to the Fair Market Value of one Share on the date of exercise, minus the grant price of the SAR which must not be less its Fair Market Value on the date of grant. At the Board's discretion, payment of a SAR exercise may be made in cash, in Shares of equivalent value, or some combination thereof.

Part 8. DIVIDEND EQUIVALENTS

- 8.1 **Issuance of Dividend Equivalents.** If the Issuer declares a cash dividend on its Shares, the Board may in its discretion provide each Participant holding Share Units and/or DSUs with dividend equivalents in the form of additional Share Units and DSUs. Such dividend equivalents shall be computed by:
- (a) multiplying the amount of the dividend per Share by the aggregate number of Share Units and DSUs held by the Participant on the record date for the payment of such dividend (the "Dividend Payment Date"); and
 - (b) dividing the amount calculated per subsection (a) above by the Market Price on the Dividend Payment Date, or the first Business Day immediately after if the Dividend Payment Date is not a Trading Day.

Any additional Share Units credited to a Participant's account as a dividend equivalent shall be subject to the same terms and conditions (including vesting and Performance Conditions) as the Share Units from which the dividend equivalents arise. In the event that the Participant's applicable Share Units do not vest, all dividend equivalents associated with such Share Units will be forfeited by the Participant.

- 8.2 **Cash Settlement.** If the issuance of dividend equivalents will cause the Issuer to exceed the permissible number of Awards that can be granted under this Plan, including those contained in section 3.1 or 3.3, the Issuer shall pay out in cash such portion of the dividend equivalents as is necessary to comply with this Plan's limits on the number of Awards that can be granted at a particular time.
- 8.3 **No Obligation.** Nothing in this Part 8 should be construed as imposing an obligation on the Board to provide dividend equivalents to a Participant.

Part 9. ADJUSTMENTS

- 9.1 **Adjustment for Termination.** Notwithstanding any other provision in this Plan, if a Participant ceases to be an Eligible Person, the term of the Participant's outstanding Awards, if any, shall be adjusted as follows:
- (a) *Termination For Cause.* If the Issuer terminates the Participant's employment, engagement or directorship for cause, such Participant's outstanding Awards shall be immediately forfeited and cancelled without further act or compensation, and any and all rights of such Participant with respect to and arising from this Plan shall terminate as of the Termination Date without regard to any period of reasonable notice or any salary continuance, unless otherwise determined by the Board.
 - (b) *Termination Without Cause or Resignation.* If the Issuer terminates the Participant's employment, engagement or directorship for any reason other than for cause, or if the Participant resigns from the Issuer, such Participant's outstanding Awards must expire on the earlier of (i) 30 days after the Termination Date, and (ii) the original expiry date of such Awards.
 - (c) *Death.* If a Participant dies, such Participant's outstanding Awards must expire on the earlier of (i) 12 months after death, and (ii) the original expiry date of such Awards. Any heir, personal representative or administrator of the Participant's estate must make any claim to the Participant's outstanding Awards within 12 months of the Participant's death.
 - (d) *Disability.* If a Participant ceases to be an Eligible Person due to Disability, such Participant's outstanding Awards must expire on the earlier of (i) 12 months after the Termination Date, and (ii) the original expiry date of such Awards.
- 9.2 **Adjustment for Capital Alterations.**
- (a) If the Board deems it advisable and equitable in the circumstances, the Board shall, subject to the prior acceptance of the Exchange except in the case of a share consolidation or split, in its sole and absolute discretion make proportional adjustments and/or substitutions to:

- (i) the number and kind of Shares or other securities or property to be reserved or allotted for issuance for any outstanding Awards, or
- (ii) the exercise price for the Shares issuable for any outstanding Awards,

following a change in the outstanding Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Shares, including, without limitation, a sale of all or substantially all of the Issuer's assets. Such adjustments shall be made, to the extent possible, proportionately and with a view to preserving the rights of the Participants.

9.3 **Adjustment for Blackout Period.** Notwithstanding any other provision in this Plan, if the expiry date of an Award falls within a Blackout Period, such expiry date will be postponed to a date which is 10 Business Days after the expiry of the Blackout Period, provided:

- (a) the Issuer has formally imposed the Blackout Period; and
- (b) neither the Participant nor the Issuer is subject to a cease trade order (or similar order under Securities Laws) with respect to the Issuer's securities.

9.4 **Adjustments Upon Change of Control.** Notwithstanding any other provision of the Plan and subject to prior Exchange approval, in the event of a potential or actual Change of Control, the Board may in its sole discretion:

- (a) accelerate, conditionally or otherwise, the vesting date of any Award;
- (b) permit the conditional redemption or exercise of any Award;
- (c) terminate any Award after the successful completion of a Change of Control, provided that such Award was granted before the Change of Control;
- (d) otherwise amend or modify the terms of any Awards.

9.5 **Uncompleted Change of Control.** In the event that the Board has taken action under section 9.4 and the Change of Control does not occur, the Board may in its sole discretion reverse or nullify its actions taken under section 9.4. For greater certainty, such reversal or nullification of actions include cancelling Shares or Share Units, reinstating Awards and nullifying agreements.

9.6 **No Fractional Shares.** If a fractional Share is issuable upon the exercise or settlement of an Award or as a result of a Capital Alteration Adjustment, such fractional Share shall be rounded up or down to the nearest whole number at the Board's sole discretion and without compensation to the Participant for such rounding off.

Part 10. ADMINISTRATION AND COMPLIANCE

10.1 **Administration of Plan.** This Plan will be administered by the Board, who has the sole and complete authority to make and implement all decisions relating to this Plan and any Award granted hereunder, subject to regulatory approval including Exchange acceptance.

- 10.2 **Determination Binding.** Except as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Issuer and the Participant, any decision made or action taken by the Board is final, conclusive and binding on the affected parties.
- 10.3 **Amend or Terminate Plan.** The Board may amend, suspend or terminate this Plan or any portion at any time in accordance with applicable Securities Laws, subject to any required regulatory or shareholder approval, but no such amendment, suspension or termination shall alter or impair an Award or a right previously granted to a Participant without the consent of such Participant. If this Plan is terminated, the provisions of this Plan and any administration guidelines, rules and regulations adopted by the Board and in force prior to the termination of this Plan, shall continue in effect during such time as the Award or rights previously granted to Participants remain outstanding.
- 10.4 **Applicable Laws.** This Plan, the grant and exercise of Awards hereunder and the Issuer's obligation to issue and deliver Shares upon exercise or settlement of Awards, shall be subject to all applicable Securities Laws and all applicable federal, state, provincial and foreign laws, the rules and regulations of any stock exchange on which the Shares are listed for trading and to such approvals by any regulatory or governmental agency as may, in the opinion of Issuer's counsel, be required. The Issuer shall not be obliged to issue, deliver or sell Shares in violation of such laws, rules and regulations or any condition of such approvals aforementioned.
- 10.5 **No Registration.** No Award shall be granted and no Share shall be issued or delivered upon exercise or settlement of an Award where such grant, issue or delivery would require registration (under the securities laws of any foreign jurisdiction) of this Plan, any Award or any Share. Any purported grant of Award or issue or delivery of Share in violation of this provision shall be void.
- 10.6 **Resale Restrictions.** The Shares issued to Participants upon exercise of Options may be subject to Resale Restrictions under applicable Securities Laws, and the Board shall ensure that all matters pertaining to the Options and the Shares issued thereunder shall be made in compliance with applicable Securities Laws, including but not limited to the placing of legends on Shares. If any of the conditions stated in the definition of Exchange Hold Period is met, the Option certificate and any share certificates issued pursuant to the exercise of such Option (before the expiry of the Exchange Hold Period) must be legended with the prescribed legend set out in Policy 3.2 of the Manual.
- 10.7 **Tax Compliance.**
- (a) The Issuer is authorized to perform any act required to ensure that the Participant and the Issuer is in compliance with all Applicable Laws relating to tax which is payable in connection with the grant, exercise or settlement of an Award, including but not limited to the following:
 - (i) deduct or withhold amounts from a Participant's remuneration or from a cash settlement;
 - (ii) withhold Share Units or DSUs during settlement;
 - (iii) sell some of the Shares that were to be issued to the Participant, and remit the proceeds to the appropriate tax authority;
 - (iv) require Participants to deliver undertakings or indemnities in favour of the Issuer with respect to the payment of taxes.

- (b) If the Issuer decides, for tax compliance purposes, to sell Shares that were to be issued to a Participant in a settlement, such Participant is deemed to have consented to such sale and to have granted the Issuer an irrevocable power of attorney to effect the sale. The Issuer shall have sole discretion over the timing and manner of sale, and shall not be obliged to seek or obtain a minimum price. All selling costs will be borne by the Participant and shall be deducted from the gross proceeds. The Issuer will not be liable for any loss whatsoever arising out of such sale of the Shares, including any loss relating to the pricing, manner or timing of the sale or any delay in transferring any Shares to a Participant or otherwise.
- (c) Notwithstanding the foregoing, the Issuer assumes no responsibility for any taxes owing by the Participant.

10.8 Disinterested Shareholder Approval:

- (a) If any provision of this Plan requires “disinterested shareholder approval”, the grant, issue or amendment must be approved by majority of the votes cast by Shareholders at the Shareholder meeting, excluding votes attached to Shares beneficially owned by:
 - (i)
 - (A) the Persons that hold or will hold the Award in question; or
 - (B) Insiders to whom Award may be granted under the Security Based Compensation Plan;
 - (ii) Associates and Affiliates of the Persons referenced in subsection (i)(A) or (i)(B) above, as the case may be.
- (b) Except as otherwise provided in Part 6 of Policy 4.4 in the Manual, the Issuer must obtain disinterested shareholder approval for:
 - (i) a Security Based Compensation Plan, if such plan, together with all of the Issuer’s other previously established and outstanding Security Based Compensation Plans and grants or issuances of Awards (excluding grants or issuances under Part 6), could result at any time in:
 - (A) the aggregate number of Shares that are issuable pursuant to all Awards granted or issued to Insiders (as a group) exceeding 10% of issued and outstanding Shares at any point in time;
 - (B) the aggregate number of Shares that are issuable pursuant to all Awards granted or issued in any 12-month period to Insiders (as a group) exceeding 10% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to any Insider; or
 - (C) the aggregate number of Shares that are issuable pursuant to all Awards granted or issued in any 12-month period to any one Eligible Person exceeding 5% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the Eligible Person;
 - (ii) any individual Award grant or issue that would result in any of the limits set forth in section 10.8(b)(i) being exceeded;
 - (iii) any amendment to Options held by Insiders that would have the effect of decreasing the exercise price or extending the exercise term of such Options;

- (iv) any amendment to an Award that results in a benefit to an Insider, and for further clarity, “amendment” includes the cancellation of an Award and the re-issuance of the same or similar Award to the same Person within a year.
- (c) If the Issuer proposes to grant stock options which are exercisable into a class of non-voting or subordinate voting securities, the holders of that class of securities must be given full voting rights on a resolution that requires disinterested shareholder approval with respect to a proposed stock option plan, grant or amendment.

Part 11. MISCELLANEOUS

- 11.1 **Superseding Plan.** This Plan supersedes and replaces any previous Securities Based Compensation Plan of the Issuer. Any Award granted by the Issuer before the effective date of this Plan shall remain a valid and binding obligation of the Issuer, but governed by this Plan.
- 11.2 **No Rights as Shareholder.** Nothing contained in this Plan nor in any Option granted hereunder shall be deemed to give any Participant any interest or title in or to any Shares or any right as a shareholder of the Issuer or any other legal or equitable right against the Issuer whatsoever, other than as set out in this Plan and upon exercise of any Option.
- 11.3 **No Right to Employment or Office.** Nothing contained in the Plan will confer upon or imply in favour of any Participant any right with respect to office, employment or provision of services with the Issuer, or interfere in any way with the right of the Issuer to lawfully terminate the Participant’s office, employment or service at any time pursuant to the arrangements pertaining to same.
- 11.4 **Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement.** The loss or limitation of any right or interest provided by this Plan shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Participant.
- 11.5 **No Representation or Warranty.** The Issuer makes no representation or warranty as to the future market value of Shares issued in accordance with the provisions of the Plan or to the tax consequences to a Participant in connection with the grant or exercise of an Award. Compliance with Securities Laws as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Issuer.
- 11.6 **Other Arrangements.** Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approval.
- 11.7 **Paramountcy of Plan.** Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of any Award agreement between the Issuer and a Participant. In the event of any discrepancy between this Plan and an Award agreement, the provisions of this Plan shall govern.