



## ABASCA RESOURCES INC.

#208 311 4th Ave N  
Saskatoon, Saskatchewan  
S7K 2L8

<b>2023</b>	Annual General Meeting of Shareholders
<b>ANNUAL</b>	Management Information Circular
<b>GENERAL</b>	
<b>MEETING</b>	
<b>Place:</b>	Abasca Resources Inc. Bentall 5, Suite 2300 550 Burrard Street Vancouver, British Columbia Canada V6C 2B5
<b>Time:</b>	01:00 p.m. EST, 12:00 p.m. CST, 10:00 a.m. PST
<b>Date:</b>	Friday, November 17, 2023

**ABASCA RESOURCES INC.**

**CORPORATE DATA**

**Head Office**

#208 311 4th Ave N  
Saskatoon, Saskatchewan  
S7K 2L8 Canada

**Directors and Officers**

Dawn Zhou – President, Chief Executive Officer and Director  
Erik H. Martin – Chief Financial Officer  
Brian McEwan – Vice President, Exploration  
Brett A. Kagetsu – Secretary and Director  
Qiang Sean Wang – Director  
Denis Arsenault – Director  
David Billard – Director (Chairman)

**Registrar and Transfer Agent**

Odyssey Trust Company

**Legal Counsel**

Gowling WLG (Canada) LLP

**Auditor**

McGovern Hurley LLP, Chartered Professional Accountants

**Stock Exchange Listing**

TSX Venture Exchange  
Symbol “**ABA**”

**ABASCA RESOURCES INC.**

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**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Abasca Resources Inc. (the “**Company**”) will be held at Bentall 5, Suite 2300, 550 Burrard Street, Vancouver, British Columbia, Canada V6C 2B5 on Friday, the 17<sup>th</sup> day of November, 2023 at 01:00 p.m. EST, 12:00 p.m. CST, 10:00 a.m. PST, for the following purposes:

1. To receive the audited financial statements of the Company for the fiscal year ended April 30, 2023 (with comparative statements relating to the preceding fiscal period) together with the report of the auditors therein;
2. To fix the number of directors at five (5) until the next Annual General Meeting;
3. To elect the directors for the ensuing year;
4. To appoint McGovern Hurley LLP, Chartered Professional Accountants, as auditors for the ensuing year and to authorize the directors of the Company to fix their remuneration;
5. To consider and, if thought fit, to pass an ordinary resolution, approving the Company’s new rolling stock option plan and reserving for the grant of options of up to 10% of the issued and outstanding shares of the Company at the time of any stock option grant, as more particularly described in the Information Circular; and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

**Shareholders are strongly encouraged to vote on the matters before the Meeting by proxy rather than attend the meeting in person. Accordingly, participants are encouraged to vote on the matters before the Meeting by proxy and to join the annual general meeting by conference call. To access the Meeting by teleconference, dial toll free at 1-866-201-0079, Access Code: 099084#.**

**SHAREHOLDERS MAY DIAL INTO THE MEETING AT THE ABOVE NUMBER BUT WILL NOT BE PERMITTED TO VOTE BY PHONE.**

The Information Circular provides information relating to the matters to be addressed at the Meeting and forms part of this Notice.

A registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must have deposited their duly executed form of proxy not later than 10:00 a.m. (Vancouver time) on November 15, 2023 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) preceding the time of such adjourned Meeting to Odyssey Trust Company, Proxy Department, #350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Canada, if by fax to 1-800-517-4553 or if by internet: <https://login.odysseytrust.com/pxlogin>. Shareholders holding shares beneficially through an intermediary wishing to be represented by proxy at the Meeting or any adjournment thereof must have deposited their duly completed voting instruction form in accordance with the directions provided on the voting instruction form.

The Company is using “notice and access” delivery to furnish proxy materials to Shareholders over the internet. The Company believes that this delivery process will expedite Shareholders’ receipt of proxy

materials and lower the costs and reduce the environmental impact of the Meeting. On or about October 18, 2023, the Company will send to Shareholders of record as of October 3, 2023 a Notice and Access Notification to Shareholders (the “**Notice**”) containing instructions on how to access the Company’s proxy materials for the Meeting. This Notice also provides instructions on how to vote and includes instructions on how to receive a paper copy of the proxy materials by mail.

If you have any questions regarding the matters to be dealt with at the Meeting, the procedures for voting or completing the form of proxy or any information contained in the accompanying Information Circular with respect to voting, please contact the Company’s registrar and transfer agent, Odyssey Trust Company, via [www.odysseycontact.com](http://www.odysseycontact.com) or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

Shareholders of the Company are entitled to vote at the Meeting either in person or by proxy. Those who are unable to attend the Meeting are requested to read the notes to the enclosed form of Proxy and then to, complete, sign and mail, or fax or send electronically by internet the enclosed form of Proxy in accordance with the instructions set out in the Proxy and in the Information Circular that forms part of this Notice.

DATED at Vancouver, British Columbia, this 3<sup>rd</sup> day of October, 2023.

**BY ORDER OF THE BOARD**

*(signed) “Dawn Zhou”*

Dawn Zhou

President, Chief Executive Officer and Director

**ABASCA RESOURCES INC.**  
**#208 311 4th Ave N**  
**Saskatoon, Saskatchewan**  
**S7K 2L8**

## **INFORMATION CIRCULAR**

(Containing information as at October 3, 2023 unless indicated otherwise)

### **SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by management (“**Management**”) of Abasca Resources Inc. (the “**Company**”) for use at the Annual General Meeting of Shareholders of the Company (and any adjournment thereof) to be held on November 17, 2023 (the “**Meeting**”) for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by Management will be borne by the Company.

**Shareholders are strongly encouraged to vote on the matters before the Meeting by proxy rather attend the Meeting in person. Accordingly, participants are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by conference call. To access the Meeting via teleconference, dial toll free at 1-866-201-0079, Access Code: 099084#.**

**SHAREHOLDERS MAY DIAL INTO THE MEETING AT THE ABOVE NUMBER BUT WILL NOT BE PERMITTED TO VOTE BY PHONE.**

The contents and the sending of this Information Circular have been approved by the directors of the Company (the “**Board of Directors**” or “**Board**”).

### **NOTICE-AND-ACCESS**

The Company has elected to use the “notice-and-access” provisions (“**Notice-and-Access**”) that came into effect on February 11, 2013 under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 - *Continuous Disclosure Obligations* (“**NI 51-102**”) of the Canadian Securities Administrators, for distribution of this Information Circular and other meeting materials, including the form of proxy (the “**Form of Proxy**”) and the Notice of Meeting (collectively, the “**Meeting Materials**”), to registered shareholders of the Company and shareholders holding shares of the Company beneficially through an intermediary (“**Non-Registered Holders**”), other than those Non-Registered Holders with existing instructions on their accounts to receive printed materials or those shareholders that request printed Meeting Materials.

Notice-and-Access allows issuers to post an electronic version of its information circulars and other proxy-related material online, via SEDAR+ and one other website, rather than mailing paper copies of such proxy-related materials to shareholders. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

The Company will post the Information Circular and its audited financial statements and management discussion and analysis for the year ended April 30, 2023 (collectively, the “**2023 Audited Financial Statements and MD&A**”), under its profile at [www.sedarplus.ca](http://www.sedarplus.ca), and on its website at <https://www.abasca.ca>.

Although such proxy-related materials will be posted electronically online, registered shareholders and Non-Registered Holders (subject to the provisions set out below under the heading “Advice to Beneficial Shareholders”) will receive a “notice package” (the “**Notice-and-Access Notification**”) by prepaid mail, which

includes the information prescribed by NI 54-101 and a Form of Proxy (in the case of registered Shareholders) or VIF (in the case of Non-Registered Holders) enabling them to vote at the Meeting. Shareholders should follow the instructions for completion and delivery contained in the Form of Proxy or VIF, as the case may be, and are reminded to review the Information Circular before voting.

Shareholders will not receive a paper copy of the Information Circular or the 2023 Audited Financial Statements and MD&A unless they contact the Company's transfer agent, Odyssey Trust Company, via [www.odysseycontact.com](http://www.odysseycontact.com) or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America). Provided the request is made prior to the Meeting, the Company will cause the requested materials to be mailed within three business days. **Requests for paper copies of the Information Circular and the 2023 Audited Financial Statements and MD&A should be made by November 1, 2023 in order to receive such materials in time to vote before the Meeting.**

For more information regarding notice-and-access or to obtain a paper copy of the Information Circular and the 2023 Audited Financial Statements and MD&A, you may contact our transfer agent, Odyssey Trust Company, via [www.odysseycontact.com](http://www.odysseycontact.com) or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

Shareholders with questions about Notice-and-Access may contact Odyssey Trust Company via [www.odysseycontact.com](http://www.odysseycontact.com) or by phone at 1-888-290-1175 (toll-free within North America) or 1-587-885-0960 (direct from outside North America).

#### **APPOINTMENT OF PROXYHOLDER**

The individuals named in the accompanying form of proxy are officers and/or directors of the Company (collectively, "Management's Nominees"). **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT'S NOMINEES NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.**

**A proxy will not be valid unless the completed form of proxy is received by Odyssey Trust Company (the "Transfer Agent") at Proxy Department, #350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Canada, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof.** Proxies delivered after that time will not be accepted.

#### **REVOCAION OF PROXIES**

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his, her or its attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Company, at **Gowling WLG (Canada) LLP, Suite 2300, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, Canada** at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

#### **INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as "Beneficial Shareholders") should note that only registered shareholders may vote at the Meeting.** If common shares are listed in an account statement provided to a

shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares of the Company ("**Common Shares**") are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own.

The Company does not intend to pay for intermediaries to deliver the proxy-related materials and Form 54-101F7 to OBOs. As a result, an OBO will not receive the Meeting Materials unless the OBO's intermediary assumes the costs of delivery.

The Company is sending proxy-related materials to registered shareholders and Beneficial Shareholders using the Notice-and-Access procedure described in NI 54-101 and NI 51-102.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

### **VOTING OF PROXIES**

The Common Shares represented by a properly executed proxy in favour of persons proposed by Management as proxyholders in the accompanying form of proxy will:

1. be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
2. 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 such proxy.

ON A POLL SUCH SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, Management knows of no such amendment, variation or other matter which may be presented to the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

Authorized Share Structure: an unlimited number of common shares without par value  
 Issued and Outstanding: 53,137,369 <sup>(1)</sup> common shares without par value

**Note:**

(1) As at the record date hereof.

The Common Shares are the only voting securities of the Company. Only shareholders of record at the close of business on October 3, 2023 (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in his, her or its name.

To the knowledge of the directors and senior officers of the Company, the only persons or companies who beneficially own, directly or indirectly or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding Common Shares are:

Name	No. of Common Shares	Percentage
Dawn Zhou	35,149,788 <sup>(1)</sup>	66.15%

**Note:**

(1) Of this amount 101159623 Saskatchewan Ltd. (“**SaskCo**”), a private company wholly owned by Dawn Zhou, holds 25,639,288 Common Shares. Ms. Zhou also holds 1,400,500 Common Shares directly, 7,610,000 Common Shares indirectly through 9169601 Canada Inc. (a private company in which Dawn Zhou owns 34% of the common shares and 100% of the preference shares), and 500,000 Common Shares indirectly through CSIT Consulting Inc. (a company wholly-owned by Dawn Zhou).



## **ELECTION OF DIRECTORS**

The Board of Directors presently consists of five (5) directors and it is intended to determine the number of directors at five (5) and to elect five (5) directors for the ensuing year.

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as the nominees of Management and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (British Columbia).

The Articles of the Company include an advance notice provision. The purpose of the advance notice provision is to provide shareholders, directors and Management with direction on the procedure for shareholder nomination of directors. The advance notice provision is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form. The Company did not receive notice of any director nominations in connection with the Meeting within the time periods prescribed by the Articles. Accordingly, at the Meeting, the only persons eligible to be nominated for election to the Board are the Nominees.

The following table and notes thereto states the name of each person proposed to be nominated by Management for election as a director (a “**proposed director**”), the province or state and country in which he or she is ordinarily resident, all offices of the Company now held by him or her, his or her principal occupation, business or employment for the five preceding years for new director nominees, the period of time for which he or she has been a director of the Company, and the number of Common Shares beneficially owned by him or her, directly or indirectly, or over which he or she exercises control or direction, as at the date hereof.

<b>Name, Position, Province or State and Country of Residence <sup>(1)</sup></b>	<b>Principal Occupation<sup>(1)</sup></b>	<b>Director Since</b>	<b>Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(2)</sup></b>
Dawn Zhou <sup>(7)</sup> President, Chief Executive Officer and Director, Alberta, Canada	President and Chief Executive Officer of the Company since December 29, 2022; Chartered Professional Accountant (CPA,CGA) since 1999 and geologist since 1988; founder and Executive Chair of Athabasca Potash Inc., a TSX-listed potash exploration and development company, from 2006 to 2010.	December 29, 2022	35,149,788 <sup>(3)(4)</sup>

Name, Position, Province or State and Country of Residence <sup>(1)</sup>	Principal Occupation <sup>(1)</sup>	Director Since	Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(2)</sup>
Qiang Sean Wang <sup>(4) (6)</sup> Director British Columbia, Canada	Chartered Financial Analyst; former President and CEO of the Company from May 1, 2018 to December 29, 2022; Partner, China Youth Holding Group from January 2018 to January 2019; Chief Investment Officer, Sun Seven Stars Investment Group, December 2016 to December 2017; Managing Director, Beijing Nanbel Huijin Investment Company Limited, from January 2015 to November 2016; CEO and Managing Director, DragonTech Ventures Management Limited from March 2000 to December 2014.	January 31, 2019	3,710,000 <sup>(4)(6)</sup>
David Billard <sup>(4)(5)</sup> <sup>(6) (7)</sup> Chairman and Director Saskatchewan, Canada	Professional Geoscientist; President and owner of Cypress Geoservices Ltd., a geological consulting firm based in Saskatoon, since 1999; director of Bessor Minerals Inc. (formerly Troymet Exploration Corp.), a TSXV-listed mineral exploration company, from May 2007 to September 2022.	December 29, 2022	80,000 <sup>(4)</sup>
Brett Kagetsu <sup>(4)(5)</sup> Director British Columbia, Canada	Partner at Gowling WLG (Canada) LLP, an international law firm.	January 31, 2019	150,000 <sup>(4)</sup>
Denis Arsenault <sup>(5)</sup> <sup>(6) (7)</sup> Director Quebec, Canada	Chartered Professional Accountant (CPA, CA); Chief Financial Officer of Troilus Gold Corp. since December 20, 2017; Director of Murchison Minerals Ltd. since June 3, 2014.	December 29, 2022	Nil

**Notes:**

- (1) The information as to the province or state, and applicable country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to the Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Of this amount, 1,400,500 are held directly by Dawn Zhou, 25,639,288 indirectly through SaskCo, 7,610,000 indirectly through 9169601 Canada Inc. (a private company in which Dawn Zhou owns 34% of the common shares and 100% of the preference shares) ("**9169601**"), and 500,000 indirectly through CSIT Consulting Inc. (a company wholly-owned by Dawn Zhou).
- (4) A portion of these Common Shares are subject to escrow pursuant to an escrow agreement between the Company, Odyssey Trust Company as escrow agent, the directors and officers of the Company, and certain other shareholders of the Company.
- (5) Denotes member of the Audit Committee. Denis Arsenault is Chair of the Audit Committee.
- (6) Denotes member of the Compensation Committee. Denis Arsenault is Chair of the Compensation Committee.
- (7) Denotes member of the Nomination and Governance Committee. Dave Billard is Chair of the Nomination and Governance Committee.

## **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

Save and except as set forth below, none of the proposed directors (or any of their personal holding companies) of the Company:

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

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “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.

Brett Kagetsu previously served as a director of Finore Mining Inc. (“**Finore**”). On May 2, 2016, the British Columbia Securities Commission (the “**BCSC**”) issued a Management Cease Trade Order (the “**MCTO**”) in respect of Finore as a result of Finore not having filed annual audited financial statements for the year ended December 31, 2015 and Management’s Discussion and Analysis in respect thereof. Mr. Kagetsu resigned as a director of Finore in July, 2016. The BCSC subsequently revoked the MCTO on August 18, 2016.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of the Company in deciding whether to vote for a proposed director.

## **AUDIT COMMITTEE DISCLOSURE**

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee’s charter, composition of the audit committee and the fees paid to the external auditor.

Accordingly the Company provides the following disclosure with respect to its audit committee:

## Audit Committee's Charter

The text of the Audit Committee's Charter is set out in the attached Schedule "A" to this Information Circular.

## Composition of the Audit Committee

The current members of the audit committee are:

Denis Arsenault (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
David Billard	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Brett Kagetsu	Non-Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

### Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Kagetsu is not considered to be independent as he is a partner of Gowling WLG (Canada) LLP, legal counsel to the Issuer.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

### Denis Arsenault

Mr. Denis Arsenault is a Chartered Professional Accountant (CPA, CA) with 41 years of experience. He has held a variety of senior financial positions in a range of sectors, including mining and resources, communications, truck trailer manufacturing and life sciences. Mr. Arsenault is currently CFO of Troilus Gold Corp. (TSX:TLG) and was the former CFO of Sulliden Gold Corporation Ltd. (TSX: SUE) and Central Sun Mining Inc. (TSX: CSM). Mr. Arsenault currently serves as a director of Murchison Minerals Ltd. (TSXV:MUR). He formerly served on the board of directors of Belo Sun Mining Corp. (TSX: BSX), Thompson Creek Metals Company Inc., Rockcliff Resources Inc., Stonegate Agricom Ltd., MBAC Fertilizer Corp. and Alliance Grain Traders Inc. Mr. Arsenault began his career with KPMG in 1981, before co-founding Wasserman Arsenault, Chartered Accountants. Mr. Arsenault holds a Bachelor of Commerce from the University of Toronto.

### David Billard

Mr. Billard is a Professional Geoscientist (P. Geo) registered with the Association of Professional Engineers and Geoscientists of Saskatchewan. Mr. Billard possesses over 35 years of mineral exploration and development experience, searching for uranium, gold and base metals in western Canada and the western United States. Mr. Billard was the Chief Operating Officer, Vice President Exploration and Director for JNR Resources Inc., a TSX Venture Exchange listed company, from 2007 until its acquisition by Denison Mines Corp. in 2013. Before joining JNR, David was a geological consultant specializing in uranium exploration in the Athabasca Basin of Saskatchewan and prior to that, was employed by Cameco Corporation for over 12 years. David was a Director of TSX Venture Exchange-listed issuer Bessor Minerals Inc. (formerly Troymet Exploration Corp.) from 2007 to 2022. Mr. Billard received a Bachelor of Science degree from the University of Saskatchewan in 1983.

### Brett Kagetsu

Mr. Kagetsu has been a corporate finance and securities lawyer since 1996 and the majority of his clients have been Canadian reporting issuers. Mr. Kagetsu earned a Bachelor of Commerce degree from the University of British Columbia in 1991 before earning his Bachelor of Laws degree from the University of British Columbia in 1995. Mr. Kagetsu has been an instructor for the TSX Venture Exchange's Rules and Tools corporate governance workshop for over 17 years.

Each member of the audit committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

### 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.

### 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 NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### Pre Approval Policies and Procedures

The Audit Committee reviews all non-audit services and pre-approves all non-audit services to be provided to the Corporation by its external auditors.

### External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2023	\$30,000	\$6,100	\$2,500	Nil
2022	\$12,000	Nil	Nil	Nil

**Notes:**

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

### Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee and the disclosure requirements of its audit committee in an annual information form as prescribed by NI 52-110.

## **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of this Information Circular, a “**Named Executive Officer**”, or “**NEO**”, means each of the following individuals:

1. each individual who, during any part of the Company’s financial year ended April 30, 2023, served as chief executive officer (“**CEO**”) of the Company, including an individual performing functions similar to a CEO;
2. each individual who, during any part of the Company’s financial year ended April 30, 2023, served as chief financial officer (“**CFO**”) of the Company, including an individual performing functions similar to a CFO;
3. the most highly compensated executive officers of the Company and its subsidiaries, other than the individuals identified in paragraphs 1 and 2 as at April 30, 2023 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6, for the financial year ended April 30, 2023; and
4. each individual who would be a NEO under paragraph 3 above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at April 30, 2023.

Based on the foregoing definitions, the Company’s Named Executive Officers are:

1. Dawn Zhou, the Company’s President and CEO. Ms. Zhou was appointed President and CEO on December 29, 2022;
2. Erik H. Martin, the Company’s CFO. Mr. Martin was appointed Chief Financial Officer on December 29, 2022;
3. Qiang Sean Wang, the Company’s former President and CEO. Mr. Wang resigned as President and CEO on December 29, 2022 and was appointed Executive Director of the Company on December 29, 2022; and
4. Jerry A. Minni, the Company’s former CFO. Mr. Minni resigned as Chief Financial Officer, Secretary and director on December 29, 2022.

The Summary Compensation table below provides information for the two most recently completed financial years ended April 30, 2023 regarding compensation paid to or earned by each of the Named Executive Officers.

## Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted or given, or otherwise provided, directly or indirectly to the Company's Named Executive Officers and directors for the fiscal years ended April 30, 2023 and April 30, 2022.

Table of Compensation Excluding Compensation Securities							
Name and position	Year <sup>(1)</sup>	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees <sup>(10)</sup> (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Dawn Zhou <sup>(2)</sup> President, Chief Executive Officer and Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
Erik H. Martin <sup>(3)</sup> Chief Financial Officer	2023	27,657	Nil	Nil	Nil	Nil	27,657
David Billard <sup>(4)(11)</sup> Chairman and Director	2023	Nil	Nil	1,000	Nil	Nil	1,000
Qiang Sean Wang <sup>(5)(11)</sup> Director and former CEO and President	2023 2022	Nil Nil	Nil Nil	1,000 Nil	Nil Nil	Nil Nil	1,000 Nil
Denis Arsenault <sup>(4)(11)</sup> Director	2023	Nil	Nil	2,000	Nil	Nil	2,000
Brett Kagetsu <sup>(6)(11)</sup> Secretary and Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil <sup>(7)</sup> Nil
Jerry A. Minni <sup>(8)</sup> Former CFO, Secretary and Director	2023 2022	12,700 <sup>(9)</sup> 20,000 <sup>(9)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	12,700 <sup>(9)</sup> 20,000 <sup>(9)</sup>
Michael Dake <sup>(10)</sup> Former Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

**Notes:**

- (1) Financial years ended April 30.
- (2) Ms. Zhou was appointed President and CEO of the Company on December 29, 2022.
- (3) Mr. Martin was appointed CFO of the Company on December 29, 2022. Mr. Martin provides his services to the Company as a consultant through Bractea Enterprises Ltd. ("**Bractea**"), a company wholly-owned by Mr. Martin and billed fees of \$27,567 to the Company during the fiscal year. See the section herein entitled "Employment, Consulting and Management Agreements".
- (4) Messrs. Billard, Arsenault were appointed directors of the Company on December 29, 2022.
- (5) Mr. Wang was appointed President, CEO and a director of the Company on January 31, 2019 and resigned as President and CEO on December 29, 2022. He remains director of the Company.
- (6) Mr. Kagetsu was appointed a director of the Company on January 31, 2019 and Secretary of the Company on December 29, 2022.
- (7) Legal expenses of \$380,098 were billed to the Company by a law firm in which Mr. Kagetsu is a partner.
- (8) Mr. Minni resigned as CFO, Secretary and director on December 29, 2022. See the section herein entitled "Employment, Consulting and Management Agreements".
- (9) During the financial year ended April 30, 2023, the Company paid or accrued fees in the amount of \$12,700 (2022 - \$20,000) to J.A. Minni & Associates Inc., a company controlled by Jerry Minni, which provided accounting and financial statement preparation services to the Company. Fees were charged on a normal commercial basis for such services. See "Employment, Consulting and Management Agreements".

- (10) Mr. Dake resigned as a director of the Company on December 29, 2022.  
 (11) Independent directors receive a director's fee of \$3,000 annually to serve as directors of the Company. The Chair of the Audit Committee receives an additional fee of \$3,000 annually.

### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to all Named Executive Officers and directors by the Company or any of its subsidiaries during the fiscal year ended April 30, 2023 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant <sup>(1)</sup> (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
Dawn Zhou President, Chief Executive Officer and Director	Stock Options	850,000 options to purchase 850,000 shares; 20.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028
Erik H. Martin Chief Financial Officer	Stock Options	350,000 options to purchase 350,000 shares; 8.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028
David Billard Chairman and Director	Stock Options	350,000 options to purchase 350,000 shares; 8.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028
Qiang Sean Wang <sup>(2)</sup> Director and former CEO and President	Stock Options	600,000 options to purchase 600,000 shares; 14.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028
Denis Arsenault Director	Stock Options	350,000 options to purchase 350,000 shares; 8.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028



Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant <sup>(1)</sup> (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
Brett Kagetsu <sup>(3)</sup> Secretary and Director	Stock Options	350,000 options to purchase 350,000 shares; 8.3%	February 3, 2023	\$0.50	\$0.40	\$0.25	February 3, 2028

**Notes:**

- (1) The closing price of the Common Shares on February 1, 2023 was \$0.40. There were no trades of Common Shares on February 2 and 3, 2023.
- (2) As at April 30, 2023, Mr. Wang also held 170,000 stock options of the Company entitling the holder to acquire, upon exercise 170,000 Common Shares at a price of \$0.10 per share until December 12, 2024. As of April 30, 2022, all stock options held by the holder have fully vested.
- (3) As at April 30, 2023, Mr. Kagetsu also held 170,000 stock options of the Company entitling the holder to acquire, upon exercise 170,000 Common Shares at a price of \$0.10 per share until December 12, 2024. As of April 30, 2022, all stock options held by the holder have fully vested.

**Exercise of Compensation Securities by Directors and NEOs**

No compensation securities were exercised by the Company's Named Executive Officers and directors during the fiscal year ended April 30, 2023.

**Stock Option Plans and Other Incentive Plans**

The Board has previously adopted the Company's stock option plan (the "**Old Plan**"), which provides that the Board may from time to time, in its discretion and in accordance with Exchange requirements, grant to directors, officers, employees and consultants of the Company and its affiliates, non-transferable stock options ("**Stock Options**") to purchase Common Shares, provided that the total number of Common Shares reserved for issuance will not exceed 2,400,000 Common Shares (representing 4.52% of the issued and outstanding Common Shares as of October 3, 2023). The Old Plan was adopted, effective June 5, 2019, and was subsequently approved by the Exchange and by the shareholders at the Company's annual general meeting held on July 28, 2020. Any amendments to the Old Plan must be approved by the Exchange and, if necessary, approval by the disinterested shareholders of the Company obtained prior to becoming effective.

Under the Old Plan, Stock Options are exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the maximum number of Common Shares reserved for issue to any one person under the Old Plan cannot exceed 5% of the issued and outstanding number of Common Shares and the maximum number of Common Shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of Common Shares at the date of the grant. Stock Options granted to consultants performing investor relations activities vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period. The Old Plan contains no other vesting requirements, but permits the Board to specify a vesting schedule in its discretion. The Stock Options are non-assignable and non-transferable. If an optionee ceases to be employed by the Company or ceases to act as a director or officer of the Company (other than termination for cause), any Stock Option held by such optionee will expire within ninety (90) days of termination of employment or technical consulting arrangement or holding office as a director or officer of the Company and, in the case of death, expire within one year thereafter. Upon death, the Stock Options may be exercised by legal representatives or designated

beneficiaries of the holder of the Stock Option. In the event of termination for cause, the Stock Option shall terminate and shall cease to be exercisable upon such termination for cause. In the event that the optionee shall cease to be a director, employee or consultant by reason of such optionee's disability, any Stock Options held by such optionee that have vested and that could have been exercised immediately prior to such cessation shall be exercisable by such optionee, or by his or her guardian, for a period of thirty (30) days following the date of such cessation, and, in the case of death within that thirty (30) days period, expire within thirty (30) days thereafter. Subject to policies of the Exchange, the exercise price of a Stock Option granted under the Old Plan must be no less than the closing market price of the Common Shares prevailing on the day preceding the day that the Stock Option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange.

Shareholders should refer to the management information circular of the Company filed July 3, 2020 for additional information in respect of the Old Plan (the "**2020 Circular**"). The 2020 Circular is incorporated by reference into and forms part of this Information Circular. The 2020 Circular and the Old Plan has been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). A copy of the 2020 Circular and the Old Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Chief Financial Officer of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Chief Financial Officer.

On February 3, 2023, the Company adopted, subject to Exchange acceptance and shareholder approval, a new "rolling" 10% stock option plan (the "**New Option Plan**"). Shareholders will also be asked at the Meeting to pass an ordinary resolution approving the New Option Plan. See "Particulars of Matters to be Acted Upon – Approval of New Option Plan".

The New Option Plan provides for the issue of Stock Options to acquire up to 10% of the Company's issued and outstanding Common Shares as at the date of grant, subject to standard anti-dilution adjustment. This is a "rolling" stock option plan as the number of Common Shares reserved for issue pursuant to the grant of Stock Options will increase as the Company's issued and outstanding share capital increases. At no time will more than 10% of the outstanding Common Shares be subject to grants of Stock Options under the New Option Plan. If a Stock Option expires, is exercised or otherwise terminates for any reason, the number of Common Shares in respect of that expired, exercised or terminated Stock Option shall again be available for the purpose of the New Option Plan.

### **Employment, Consulting and Management Agreements**

Other than as set forth below, there were no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were: (a) performed by a director or named executive officer; or (b) performed by any other party but are services typically provided by a director or a named executive officer.

The Company entered into a consulting services agreement (the "**Bractea Agreement**") dated effective January 1, 2023, with Bractea, a management company owned and controlled by Erik H. Martin, the Company's CFO (the "**Consultant**"), pursuant to which Erik H. Martin provides the Company with the services as Chief Financial Officer of the Company. Under this agreement, the Company shall pay to the Consultant a base retainer of \$15,000 (plus applicable HST) per quarter payable on a monthly basis as consulting fees for the Consultant's services pursuant to this Agreement. Should the Consultant work more than 12 days in any given calendar quarter, the Consultant shall be entitled to an additional charge at hourly rate of \$156.25 up to a daily charge at \$1,250 (plus applicable HST or GST) for services time beyond 12 days per quarter.. Mr. Martin is also entitled to be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the services performed under the Bractea Agreement. The Company can terminate the Bractea Agreement without cause by providing three months' written notice (or the equivalent consulting fees owing in lieu of such notice) as well as a lump sum payment of \$15,000 to Mr. Martin. If the Bractea Agreement is terminated without cause within twelve months in the event of a change of control, Mr. Martin is entitled to a termination payment equal to twelve months' retainer of \$60,000.

J.A. Minni & Associates Inc., a company controlled by Jerry Minni, the former CFO and a former director of the Company, provided accounting and financial statement preparation services to the Company until Mr. Minni ceased to be the CFO and a director on December 29, 2022. Fees were charged on a normal commercial basis for such services.

### **Oversight and Description of Named Executive Officer and Director Compensation**

The Company's Named Executive Officer and director compensation is administered by the Board. The Board has primary responsibility for approval with respect to the appointment and remuneration of Named Executive Officers of the Company and the remuneration of the Board. The Board also evaluates the performance of the Company's senior executive officers and reviews the design and competitiveness of the Company's compensation plans.

The Board has appointed a Compensation Committee made up of three directors: Denis Arsenault (Chair), David Billard, and Qiang Sean Wang. Tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the Compensation Committee and overseen by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

Responsibilities of the Compensation Committee include:

- monitoring and evaluating the performance of the CEO and other members of senior management;
- annually reviewing and making recommendations to the Board with respect to the Company's compensation and benefit programs for CEO and other senior officers of the Company including base salaries, bonuses or other performance incentive, stock options. In setting the CEO's salary, the Compensation Committee will take into consideration salaries paid to chief executive officers in the gold and general mining industry;
- reviewing and making recommendations to the Board with respect to the implementation or variation of stock options, and incentive plans. Further, the Compensation Committee will ensure proper administration of the Company's existing share incentive plans, including the granting or making recommendations with respect to the granting of options.

The executive compensation program is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long term. Base salaries are competitive with corporations of a comparable size and stage of development within the mineral exploration industry, thereby enabling the Company to compete for and retain executives critical to the Company's long term success. Incentive compensation is directly tied to corporate and individual performance. Share ownership opportunities are provided to align the interests of executive officers with the longer term interests of shareholders. Compensation for each of the Named Executive Officers consists of a base salary, along with annual incentive compensation in the form of a performance based bonus, and a longer term incentive in the form of stock options.

### **Base Salary**

The Board approves ranges for base salaries for employees at all levels of the Company based on reviews of market data from peer companies in the mineral exploration industry. In selecting peer group companies, the Board primarily looks for public companies that are comparable in terms of business and size. The level of base salary for each employee within a specified range is determined by the level of past performance, as well as by the level of responsibility and the importance of the position to the Company.

The Board approves any base salary to be paid to the Chief Executive Officer and Chief Financial Officer.

## **Annual Bonus**

Senior managers are eligible for annual incentive awards. Corporate performance, as assessed by the Board, determines the aggregate amount of bonus to be paid by the Company to all eligible senior managers in respect of a fiscal year, if any.

The aggregate amount of bonus to be paid will vary with the degree to which targeted corporate performance was achieved for the year. The individual performance factor allows the Company effectively to recognize and reward those individuals whose efforts have assisted the Company to attain its corporate performance objective.

The Board approves any bonuses to be paid to the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary, if any.

## **Stock Options**

The Company's stock option plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability and to reward individuals for current performance and expected future performance. The Board considers stock option grants when reviewing executive officer compensation packages as a whole.

The Board has sole discretion to determine the key employees to whom it recommends that grants be made and to determine the terms and conditions of the options forming part of such grants. The Board approves ranges of stock option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company.

## **Directors**

Effective January 1, 2023, each independent director of the Company is paid a director's fee of \$3,000 annually. Also, the Chair of the Audit Committee receives an additional fee of \$3,000 annually. There has been no other arrangement pursuant to which directors were compensated by the Company in their capacity as directors as disclosed herein or disclosed in the Company's financial statements and management's discussion and analysis.

In addition, all directors are entitled to be reimbursed for reasonable expenses incurred on behalf of the Company. In addition, each director is eligible to receive stock options pursuant to the Company stock option plan.

## **Pension Disclosure**

The Company did not have any pension plans in place that provided for payments or benefits made to the Named Executive Officers or directors at, following, or in connection with retirement during the fiscal year ended April 30, 2023.

The Company does not permit its NEOs or directors to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

## **DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES**

Effective June 30, 2005, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) was adopted in each of the provinces and territories in Canada. NI 58-101 requires reporting issuers to disclose the corporate governance practices that they have adopted on an annual basis. The Company's approach to corporate governance is provided in the attached Schedule “B”.

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

At any time during the Company's last completed financial year, no director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

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

### **Equity Compensation Plan Information**

The following table provides information regarding compensation plans under which equity securities of the Company are authorized for issuance in effect as of the end of the Company's most recently completed financial year:

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c) as April 30, 2023</b>
Equity Compensation Plans Approved By Shareholders <sup>(1)</sup>	850,000	\$0.10	n/a
Equity Compensation Plans Not Approved By Shareholders <sup>(2)</sup>	3,500,000	\$0.50	1,133,737
<b>Total:</b>	<b>4,180,000</b>	<b>\$0.43</b>	<b>1,133,737</b>

**Notes:**

- (1) The Company's Board had an Old Plan approved at the Company's annual general meeting held on July 28, 2020. The Old Plan was a fixed number stock option plan reserving for issuance, pursuant to the exercise of stock options, a maximum of 2,400,000 Common Shares of which 850,000 was granted thereunder prior to the adoption of the New Option Plan on February 3, 2023. The Company's Board adopted, subject to Exchange acceptance and shareholder approval, a New Option Plan on February 3, 2023 and issued 3,500,000 stock options under the New Option Plan.
- (2) During the year ended April 30, 2023, the Company, subject to receipt of Exchange acceptance and shareholder approval, adopted the New Option Plan, which provides that the Board may grant up to ten percent (10%) of the total number of Common Shares issued and outstanding at the date of the stock option grant. Shareholders will also be asked at the Meeting to pass an ordinary resolution approving the New Option Plan. See "Particulars of Matters to be Acted Upon – Approval of New Option Plan".

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth below and elsewhere in this Information Circular and other than transactions carried out in the ordinary course of business of the Company, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, Common Shares, or exercising control or direction over Common Shares, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Common Shares nor an associate or affiliate of any of the foregoing persons ("**Informed Persons**") has, since the commencement of the Company's most recently completed financial year, any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

Shareholders should refer to the 2023 Audited Financial Statements and MD&A for information in respect of transactions with Informed Persons. The 2023 Audited Financial Statements and MD&A are incorporated by reference into and forms part of this Circular. The 2023 Audited Financial Statements and MD&A have been filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). A copy of the 2023 Audited Financial Statements and MD&A will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Chief Financial Officer of the Company. Please mail any such request to the Company, at its head office, to the attention of the Chief Financial Officer.

### **APPOINTMENT OF AUDITORS**

Manning Elliott LLP, Certified Professional Accountants, who served as the auditor of the Company since January 31, 2019, resigned at the request of the Company on September 18, 2023, in order to facilitate the appointment of McGovern Hurley LLP, Chartered Professional Accountants, as the successor auditor for the Company. McGovern Hurley LLP, Chartered Professional Accountants, has served as auditor of the Company since September 18, 2023 and will be nominated at the Meeting for appointment as the auditor of the Company at remuneration to be fixed by the Directors.

As required by section 4.11 of National Instrument 51-102, a copy of the Company's reporting package (which includes the Notice of Change of Auditor, a response letter from Manning Elliott LLP, and a response letter from McGovern Hurley LLP with respect to the termination of Manning Elliott LLP and the appointment of McGovern Hurley LLP as successor auditor of the Company, is attached hereto as Schedule "D" to this Information Circular. The reporting package has been reviewed and approved by the Board of Directors of the Company. The audit report of Manning Elliott LLP on the financial statements of the Company for the fiscal year ended April 30, 2023 did not contain any reservation.

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of McGovern Hurley LLP, Chartered Professional Accountants, as auditor of the Company, at a remuneration to be determined by the directors.

A resolution for the appointment of the auditor requires the favourable vote of a simple majority (>50%) of the votes cast at the Meeting.

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

Other than as set forth below, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors and the approval of the New Option Plan.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **Approval of New Option Plan**

Subject to shareholder and TSXV approval, on February 3, 2023 the Company adopted the New Option Plan, in the form attached hereto as Schedule C. The New Option Plan is a rolling share option plan pursuant to which up to 10% of the outstanding shares may be reserved for issue from time to time, less the number of shares reserved for issue under any other share compensation arrangement (which includes the Old Plan). The New Option Plan will replace the Company's Old Plan (which is a 'fixed' plan that currently reserves for issuance a maximum of 2,400,000 Shares). On December 21, 2022, the TSXV pre-cleared the New Option Plan for shareholder approval.

Pursuant to the New Option Plan, the aggregate number of Shares reserved for issuance under the New Option Plan and reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's issued and

outstanding Shares at the time of grant. Under the policies of the TSXV, rolling stock option plans must receive shareholder approval yearly at the Company's annual general meeting.

The purpose of the New Option Plan is to attract and motivate directors, officers, employees, consultants and others providing services to the Company and its subsidiaries, and thereby advance the Company's interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the issuance of stock options.

The New Option Plan will govern option grants made after the date of the adoption of the New Option Plan. Grants made under the Old Plan will be deemed to have been made under the New Option Plan and will be governed by the New Option Plan after the date the New Option Plan is ratified by the shareholders at the Meeting.

The material terms of the New Option Plan are as follows:

1. Under the policies of the Exchange, to be eligible for the issuance of a stock option under the New Option Plan, an optionee must either be a director, officer, consultant or an employee of the Company or a company providing management or other services to the Company or a subsidiary of the Company at the time the option is granted (an "**Eligible Optionee**");
2. A number of stock options equal to 10% of the outstanding Shares from time to time, will be available to be granted pursuant to the New Option Plan to such directors, officers, employees or consultants of the Company and its subsidiaries, if any, as the Company Board of Directors or a committee thereof may from time to time designate.
3. For so long as the Company is listed on the TSXV, the maximum aggregate number of outstanding Shares that are issuable to insiders (as a group) pursuant to the exercise of Options and pursuant to any other security based compensation arrangement must not exceed 10% of the outstanding issue at any point in time, unless the Company has obtained disinterested shareholder approval.
4. For so long as the Company is listed on the TSXV, the maximum aggregate number of outstanding Shares that are issuable pursuant to the exercise of Options and pursuant to any other security based compensation arrangement granted or issued in any 12-month period to insiders (as a group) must not exceed 10% of the outstanding issue, calculated as at the date any Options are granted or issued to any insider (including any Options which are granted and exercised within that 12-month period), unless the Company has obtained disinterested shareholder approval.
5. For so long as the Company is listed on the TSXV, the number of outstanding Shares which may be reserved in any 12 month period of issuance to any one individual upon exercise of all options held by that individual may not exceed 5% of the issued and outstanding Shares, unless the Company has obtained disinterested shareholder approval.
6. The maximum aggregate number of Options which may be granted to any one Consultant within any 12-month period must not exceed 2% of the outstanding issue, calculated as at the date an Option is granted or issued to the Consultant.
7. The number of Shares which may be reserved in any 12 month period for issuance to any one person who are Investor Relations Service Providers (as that term is defined in the New Option Plan) may not exceed 2% of the issued and outstanding Shares.
8. Investor Relations Service Providers may not receive any security based compensation other than Options.
9. No acceleration of the vesting requirements applicable to options granted to Investor Relations Service Providers is allowed without the prior written approval of the TSXV.

10. For so long as the Company is listed on the TSXV, stock options issued to Consultants performing investor relations activities will vest in stages over 12 months with no more than 25% of the stock options vesting in any three month period.
11. Options held by Investor Relations Service Providers may not be exercised on a “net exercise” basis.
12. The vesting schedule for an Option, if any, shall be determined by the committee and shall be set out in the Option certificate issued in respect of the Option.
13. The exercise price of any stock options shall be determined by the Company’s Board or a committee thereof; however, the exercise price of stock options may not be less than the closing price of the Shares on the TSXV on the trading day immediately preceding the day on which the Option is granted, less any allowable discount and, in any event, the exercise price per Share will not be less than \$0.10, being the minimum exercise price allowable under the policies of the TSXV.
14. The term of any stock option shall be determined by the Company’s Board or a committee thereof at the time of grant but, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death or disability, the term of any options granted under the New Option Plan may not exceed ten years for so long as the Company is listed on the TSXV.
15. The expiry date of outstanding stock options which would expire during a blackout period, or within ten business days after the expiry of a blackout, will be extended to the date that is ten business days following the end of such blackout period, provided, however, that for so long as the Company is listed on the TSXV:
  - (a) the expiry date must not exceed the date which is ten years from the date of grant of such Option;
  - (b) the automatic extension of an Option will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company’s securities; and
  - (c) the automatic extension is available to all eligible Optionees under the same terms and conditions.
16. Stock options are not to be transferable or assigned other than by will or other testamentary instrument or pursuant to laws of succession.
17. In the event that the Optionee holds his or her Option as an Executive or as an Employee or Consultant and such Optionee ceases to hold such position other than by reason of death or disability, the expiry date of the Option shall be, unless otherwise determined by the committee and expressly provided for in the Option certificate, the 90th day following the date the Optionee ceases to hold such position.
18. Subject to certain exceptions, in the event that the Optionee, shall cease to be a director, senior officer, employee, management company employee, or consultant of the Company upon termination for cause, the Option shall terminate and shall cease to be exercisable upon such termination for cause.
19. In the event of the death of an Optionee, an Option which remains exercisable may be exercised in accordance with its terms by the person or persons to whom such Optionee’s rights under the Option shall have passed under the Optionee’s will or pursuant to law, for a period not exceeding the earlier of one year from the Optionee’s death and the original expiry date of such Option.
20. Disinterested shareholder approval is required for any extension of the term of an option, if the Optionee is an insider of the Company at the time of the proposed amendment.



21. Any adjustment, other than in connection with a share consolidation or share split, to stock options granted or issued under the New Option Plan are subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.
22. Subject to any necessary regulatory approvals the committee may, upon written notice to the Optionees in question not less than 10 days prior to the consummation of a Triggering Event (as defined in the New Option Plan), without the consent of the Optionee:
  - (a) cause all or a portion of any of the Options granted under the New Option Plan to terminate upon the occurrence of a Triggering Event; or
  - (b) cause all or a portion of any of the Options granted under the New Option Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the committee deems appropriate, acting reasonably.

Pursuant to the New Option Plan, "Triggering Event" includes, dissolution, liquidation or wind-up of the Company, merger, amalgamation, arrangement or reorganization of the Company, or a change of control of the Company.
23. The Company's Board reserves the right to amend or terminate the New Option Plan at any time if and when it is deemed advisable in the absolute discretion of the Company Board; provided, however, that no such amendment or termination shall adversely affect any outstanding options granted under the New Option Plan without the consent of the Optionee.
24. Any amendment to the New Option Plan shall also be subject to acceptance of such amendment or amended plan for filing by the TSXV and, where required by the TSXV, the approval of the shareholders of the Company.

#### New Option Plan Resolution

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass the following ordinary resolution, in substantially the following form, approving the New Option Plan (the "**New Option Plan Resolution**").

**"RESOLVED that:**

1. the Stock Option Plan, being a "rolling" stock option plan, of Abasca Resources Inc. as adopted by the board of directors and substantially in the form described in the information circular dated October 3, 2023 and presented to the shareholders (the "**Option Plan**"), be and is hereby approved;
2. the number of Common Shares reserved for issuance under the Option Plan, shall be no more than 10% of the Company's issued and outstanding share capital at the time of any stock option grant;
3. the board of directors be authorized on behalf of the Company to make any further amendments to the Option Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the Option Plan; and
4. the approval of the Option Plan by the board of directors of the Company is hereby ratified and confirmed any one director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all

such documents, and to do or cause to be done all such acts and things as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing.”

**The Board recommends that Shareholders vote in favour of the above New Option Plan Resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the New Option Plan Resolution.**

To be effective, the New Option Plan Resolution must be approved by at least a majority of the votes cast thereon at the Meeting.

**ANY OTHER MATTERS**

Management of the Company knows of no matters to come before the meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

**ADDITIONAL INFORMATION**

Additional information regarding the Company and its business activities is available on the SEDAR+ website located at [www.sedarplus.ca](http://www.sedarplus.ca) “Company Profiles – Abasca Resources Inc.” The Company’s financial information is provided in the Company’s audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR+ website at the location noted above. Shareholders of the Company may request copies of the Company’s financial statements and related management discussion and analysis by contacting the CFO, Erik H. Martin, Abasca Resources Inc., #208 311 4th Ave N Saskatoon, Saskatchewan, S7K 2L8 at telephone number +1 (306) 933-4261.



## SCHEDULE "A"

### ABASCA RESOURCES INC.

(the "Company")

#### AUDIT COMMITTEE CHARTER

(Amended and adopted by the Board of Directors on March 3, 2023)

#### 1. Purpose and Objectives

- 1.1 The Audit Committee will assist the board of directors (the "Board") in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations. In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Audit Committee member will obtain an understanding of the responsibilities of Audit Committee membership as well as the Company's business, operations and risks.

#### 2. Authority

- 2.1 The Board authorizes the Audit Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings as appropriate.
- 2.2 The Board will instruct its external auditors to report directly to the Audit Committee.

#### 3. Composition, Procedures and Organization

##### Membership

- 3.1 The Audit Committee shall consist of at least three members of the Board, a majority of which are not officers, employees or control persons of the Company or any associates or affiliates of the Company.
- 3.2 The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.
- 3.3 Unless the Board shall have appointed a chair of the Audit Committee or in the event of the absence of the chair, the members of the Audit Committee shall elect a chair from among their number.
- 3.4 The secretary of the Audit Committee shall be designated from time to time from one of the members of the Audit Committee or, failing that, shall be the Company's corporate secretary, unless otherwise determined by the Audit Committee.
- 3.5 The Audit Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

### Meetings

- 3.6 The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- 3.7 Meetings of the Audit Committee shall be conducted as follows:
- (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee. Special meetings shall be convened as required. The external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
  - (b) the chair of the Audit Committee shall be responsible for developing and setting the agenda for Audit Committee meetings and determining the time and place of such meetings;
  - (c) the Audit Committee may invite such other persons (e.g. the President (if any) or Chief Financial Officer) to its meetings, as it deems appropriate; and
  - (d) notice of the time and place of every meeting of the Audit Committee shall be given in writing to each member of the Audit Committee a reasonable time before the meeting.
- 3.8 The proceedings of all meetings of the Audit Committee will be minuted.

### Procedures

- 3.9 The external auditors shall have a direct line of communication to the Audit Committee through its chair and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.
- 3.10 The Audit Committee shall have authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee and to communicate directly with the external auditors.

## **4. Roles and Responsibilities**

- 4.1 The overall duties and responsibilities of the Audit Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements;
  - (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance; and
  - (c) to ensure that the management of the Company's has designed, implemented and is maintaining an effective system of internal financial controls.
- 4.2 The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:

- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors and ensure no unjustifiable restrictions or limitations have been placed on the scope;
  - (c) to review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to approve in advance the provision of non-audit services provided by the external auditors;
  - (e) to review with the external auditors, upon completion of their audit:
    - (i) the content of their report;
    - (ii) scope and quality of the audit work performed;
    - (iii) adequacy of the Company's financial and auditing personnel;
    - (iv) internal resources used;
    - (v) significant transactions outside of the normal business of the Company;
    - (vi) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
  - (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles.
- 4.3 The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Company shall be as follows:
- (a) to review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, , insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) to review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (c) to periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
- 4.4 The Audit Committee is also charged with the responsibility to:
- (a) review the annual and quarterly financial statements, including Management's Discussion and Analysis with respect thereto, and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are completed and consistent with the information known to the Audit Committee;
  - (b) evaluate the fairness of the interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:
    - (i) actual financial results for the interim period varied significantly from budgeted or projected results;
    - (ii) generally accepted accounting principles have been consistently applied;
    - (iii) there are any actual or proposed changes in accounting or financial reporting practices; and
    - (iv) there are any significant or unusual events or transactions which require disclosure

and, if so, consider adequacy of that disclosure;

- (c) review and approve the financial sections of:
  - (i) the annual report to shareholders;
  - (ii) the annual information form (if any);
  - (iii) prospectuses (if any); and
  - (iv) other public reports requiring approval by the Board; and report to the Board with respect thereto;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review the minutes of any Audit Committee meeting;
- (f) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (g) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) establish a procedure for:
  - (i) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
  - (ii) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (j) review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Audit Committee, as well as any best practice guidelines recommended by regulators or the TSX Venture Exchange and shall recommend changes to the Board thereon.



## SCHEDULE "B"

### DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

#### Statement of Corporate Governance Practices

National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore such guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

#### Board of Directors

##### *Structure and Compensation*

The Board is currently composed of five (5) directors and all members of the current Board are the proposed nominees for election as director at the Meeting.

NP 58-201 suggests that the Board of every listed corporation should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Of the current directors, Dawn Zhou, the President and Chief Executive Officer is "inside" or management directors and accordingly is considered not "independent". The Board considers the remaining directors to be "independent", within the meaning of section 1.4 of NI 52-110.

The Board, with recommendation of the Compensation Committee, reviews the adequacy and form of compensation and compares it to other companies of similar size and stage of development. There is no minimum share ownership requirement of directors. Directors' compensation will be in the form of stock options and the payment of directors' fees. The Company's Board reviews and approves the general compensation philosophy and guidelines, incentive plan design and other remuneration for all directors and executive officers, including the CEO. The current Compensation Committee members are Denis Arsenault (Chair), David Billard and Qiang Sean Wang, all of whom are independent.

#### Directorships

The following directors of the Company and proposed nominees are directors of other reporting issuers:

Name	Name of Other Reporting Issuer
Denis Arsenault	Murchison Minerals Ltd. (TSX-V)

### **Nomination, Assessment, Orientation and Continuing Education**

The Board, with the recommendation of the Nomination and Governance Committee, determines new nominees to the Board. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The current Nomination and Governance Committee members are Denis Arsenault, Dawn Zhou and David Billard (Chair). Messrs. Arsenault and Billard are independent.

The Board does not presently have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and the Company considers this appropriate, given the Company's size and current limited operations.

The Company believes that skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process for directors is required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies in the natural resource sector. Board members are encouraged to communicate with management, auditor and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" in the Information Circular for a description of the current principal occupations of each member of the Company's Board.

### **Ethical Business Conduct**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Company's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### **Board Committees**

The Board currently has three standing committees: the Audit Committee, Nomination and Governance Committee and Compensation Committee.





**SCHEDULE "C"**

**ABASCA RESOURCES INC.**

**STOCK OPTION PLAN**

**Effective Date: February 3, 2023**

Approved by the Board of Directors  
on February 3, 2023

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Schedule A – Option Certificate

Schedule B – Notice of Exercise of Option

## STOCK OPTION PLAN

### SECTION 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) **“Administrator”** means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) **“Associate”** means, where used to indicate a relationship with any person:
  - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
  - (ii) any partner, other than a limited partner, of that person;
  - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
  - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) **“Black-Out”** means a restriction imposed by the Company pursuant to the Company's internal policies on all or any of its Directors, Officers, Employees, Insiders or persons in a special relationship as a result of the bona fide existence of undisclosed Material Information whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company. Such restriction must expire following the general disclosure of the undisclosed Material Information.
- (d) **“Board”** means the board of directors of the Company.
- (e) **“Change of Control”** means an occurrence when either:
  - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the Securities Act), becomes a “control person” of the Company; or
  - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (f) **“Committee”** means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (g) **“Company”** means Abasca Resources Inc.

- (h) **“Consultant”** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company) who:
- (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is described in the Securities Act);
  - (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in subsection (iv) below); and
  - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary;
- and includes:
- (iv) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a **“Consultant Entity”**); or
  - (v) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (i) **“Director”** means a director (as defined under Securities Laws) of the Company or any of its Subsidiaries.
- (j) **“Disability”** means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (k) **“Disinterested Shareholder Approval”** has the meaning ascribed thereto by the TSXV in “Policy 4.4 – *Security Based Compensation*” of the TSXV’s Corporate Finance Manual.
- (l) **“Employee”** means:
- (i) an individual who works full-time or part-time for the Company or of its Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
  - (ii) an individual who works for the Company or its Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or of the Subsidiary, as the case may be, but for whom income tax deductions are not made at source,
- and includes:
- (iii) a corporation wholly-owned by such individual; and

- (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (m) **“Executive”** means an individual who is a Director or Officer of the Company or a Subsidiary, and includes:
  - (i) a corporation wholly-owned by such individual; and
  - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (n) **“Exercise Notice”** means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.
- (o) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (p) **“Exercise Price”** means the price at which an Option is exercisable as determined in accordance with section 5.4.
- (q) **“Expiry Date”** means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.2, 5.5, 6.2, 6.3, 6.4 or 11.4.
- (r) **“Expiry Time”** means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (s) **“Grant Date”** means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (t) **“Insider”** means an insider as that term is defined in the Securities Act.
- (u) **“Investor Relations Activities”** has the meaning ascribed thereto by the TSXV in Policy 1.1 of the TSXV’s Corporate Finance Manual.
- (v) **“Investor Relations Service Provider”** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.
- (w) **“Management Company Employee”** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company.
- (x) **“Market Value”** means the market value of the Shares as determined in accordance with section 5.4.
- (y) **“Material Change”** means the definition prescribed by applicable Securities Laws.
- (z) **“Material Fact”** means the definition prescribed by applicable Securities Laws.
- (aa) **“Material Information”** means a Material Fact and/or Material Change as defined by applicable Securities Laws and TSXV Policy.

- (bb) **“Officer”** means an officer (as defined under Securities Laws) of the Company or of any of its Subsidiaries.
- (cc) **“Option”** means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (dd) **“Option Certificate”** means the certificate, in substantially the form set out as Schedule A hereto, evidencing the Option.
- (ee) **“Option Holder”** means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (ff) **“Outstanding Issue”** means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (gg) **“Person”** or **“Entity”** means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (hh) **“Personal Representative”** means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (ii) **“Plan”** means this stock option plan as from time to time amended.
- (jj) **“Regulatory Approvals”** means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (kk) **“Regulatory Authorities”** means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (ll) **“Regulatory Rules”** means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (mm) **“Securities Act”** means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (nn) **“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 Company.

- (oo) **“Share”** or **“Shares”** means, as the case may be, one or more common shares without par value in the authorized share structure of the Company.
- (pp) **“Subsidiary”** means a wholly-owned or controlled subsidiary corporation of the Company.
- (qq) **“Triggering Event”** means:
- (i) the proposed dissolution, liquidation or wind-up of the Company;
  - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
  - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
  - (iv) a proposed Change of Control of the Company;
  - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
  - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (rr) **“TSXV”** means the TSX Venture Exchange Inc.
- (ss) **“Vest”** or **“Vesting”** means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

## 1.2 **Choice of Law**

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

## 1.3 **Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# **SECTION 2 PURPOSE AND PARTICIPATION**

## 2.1 **Purpose of Plan**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.



## 2.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

## 2.3 Limits on Option Grants

If the Company is listed on TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12-month period shall be 5% of the Outstanding Issue (unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (b) the maximum aggregate number of Shares that are issuable to Insiders (as a group) pursuant to the exercise of Options and pursuant to any other security based compensation arrangement must not exceed 10% of the Outstanding Issue at any point in time, unless the Company has obtained Disinterested Shareholder Approval;
- (c) the maximum aggregate number of Shares that are issuable pursuant to the exercise of Options and pursuant to any other security based compensation arrangement granted or issued in any 12-month period to Insiders (as a group) must not exceed 10% of the Outstanding Issue, calculated as at the date any Options are granted or issued to any Insider (including any Options which are granted and exercised within that 12-month period), unless the Company has obtained Disinterested Shareholder Approval;
- (d) with respect to section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;
- (e) the maximum aggregate number of Options which may be granted to any one Consultant within any 12-month period must not exceed 2% of the Outstanding Issue, calculated as at the date an Option is granted or issued to the Consultant;
- (f) Investor Relations Service Providers may not receive any security based compensation other than Options;
- (g) the maximum aggregate number of Options which may be granted in any 12-month period to all Investor Relations Service Providers must not exceed 2% of the Outstanding Issue, calculated as at the date any Option is granted to any such Investor Relations Service Providers and such Options must vest in stages over a period of not less than 12 months such that:
  - (i) no more than 1/4 of the Options vest no sooner than three months after the date the Options were granted;
  - (ii) no more than another 1/4 of the Options vest no sooner than six months after the date the Options were granted;
  - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the date the Options were granted; and
  - (iv) the remainder of the Options vest no sooner than 12 months after the date the Options were granted,

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 9.2 of this Plan.

#### 2.4 **Notification of Grant**

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

#### 2.5 **Copy of Plan**

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

#### 2.6 **Limitation on Service**

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

#### 2.7 **No Obligation to Exercise**

Option Holders shall be under no obligation to exercise Options granted under this Plan.

#### 2.8 **Agreement**

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

#### 2.9 **Notice**

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

#### 2.10 **Representation to TSXV**

As a condition precedent to the issuance of an Option, the Company and the Option Holder must be able to represent to the TSXV as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary. The Option Certificate to which the Option Holder is a party must contain such a representation by the Option Holder.

**SECTION 3  
NUMBER OF SHARES UNDER PLAN**

**3.1 Board to Approve Issuance of Shares**

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

**3.2 Number of Shares**

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

**3.3 Fractional Shares**

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

**SECTION 4  
GRANT OF OPTIONS**

**4.1 Grant of Options**

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

**4.2 Record of Option Grants**

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

#### 4.3 **Effect of Plan**

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### **SECTION 5 TERMS AND CONDITIONS OF OPTIONS**

#### 5.1 **Exercise Period of Option**

Subject to sections 5.2, 5.5, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

#### 5.2 **Extension of Expiry Date of Stock Options Due to a Black-Out**

The Expiry Date of outstanding Options held by Option Holders which would expire during a Black-Out, or within 10 business days after the expiry of a Black-Out, will be extended for a period of time ending on the tenth (10<sup>th</sup>) business day after the expiry date of the Black-Out to provide such Options Holders with an extension to the right to exercise such Options; provided, however, that for so long as the Company is listed on the TSXV:

- (a) the Expiry Date must not exceed the date which is ten years from the date of grant of such Option;
- (b) the automatic extension of an Option Holder's Option pursuant to this section 5.2 will not be permitted where the Option Holder or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities; and
- (c) the automatic extension is available to all eligible Option Holders under this Plan under the same terms and conditions.

#### 5.3 **Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

#### 5.4 **Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and

may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;

- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subsection (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arm's length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

#### 5.5 **Termination of Option**

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in subsections (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* – In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* – In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position

other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90<sup>th</sup> day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning his or her position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

#### 5.6 **Vesting of Option and Acceleration**

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. For greater certainty, there shall be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers without the prior written approval of the TSXV.

#### 5.7 **Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### **SECTION 6 TRANSFERABILITY OF OPTIONS**

#### 6.1 **Non-transferable**

Except as provided otherwise in this Section 6, Options are non-assignable and non-transferable.

6.2 **Death of Option Holder**

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

6.3 **Disability of Option Holder**

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a Director or Officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a Director or Officer and the applicable Expiry Date.

6.4 **Disability and Death of Option Holder**

If an Option Holder has ceased to be employed, engaged or appointed as a Director or Officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

6.5 **Vesting**

Notwithstanding any vesting schedule to which Options are subject, Options shall cease to vest immediately if the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a Director or Officer of the Company or a Subsidiary is terminated for any reason whatsoever. In which case, the Option Holder may only exercise such number of Options that are vested as at the date of termination of such Option Holder's employment, engagement or appointment as a Director or Officer.

6.6 **Deemed Non-Interruption of Engagement**

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

**SECTION 7  
EXERCISE OF OPTION**

7.1 **Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque, wire transfer or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during Black-Out unless the Committee

determines otherwise. Notwithstanding anything else contained herein, Options held by Investor Relations Service Providers may not be exercised on a “net exercise” basis.

7.2 **Issue of Share Certificates**

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 **No Rights as Shareholder**

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

**SECTION 8  
ADMINISTRATION**

8.1 **Board or Committee**

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 8.2 below, or by an Administrator appointed in accordance with subsection 8.4(b).

8.2 **Appointment of Committee**

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 **Quorum and Voting**

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 **Powers of Committee**

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;



- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
  - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
  - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
  - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
  - (iv) determine when Options shall be granted; and
  - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted, provided that there shall be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers without the prior written approval of the TSXV; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

#### 8.5 **Administration by Committee**

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

#### 8.6 **Interpretation**

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

## **SECTION 9 APPROVALS AND AMENDMENT**

### **9.1 Shareholder Approval of Plan**

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

### **9.2 Amendment of Option or Plan**

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Option Holder is an Insider of the Company at the time of the proposed amendment.

## **SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

### **10.1 Compliance with Laws**

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

### **10.2 Obligation to Obtain Regulatory Approvals**

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

### **10.3 Inability to Obtain Regulatory Approvals**

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

#### 10.4 **Withholding Tax Requirements**

Upon exercise of an Option, the Option Holder shall, upon notification of the amount due and prior to the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable federal and provincial withholding tax requirements and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Option Holder receiving Shares to reimburse the Company for any such taxes and Canada Pension Plan contributions required to be withheld by the Company and withhold any distribution to the Option Holder in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Option Holder an amount equal to such taxes and, if applicable, Canada Pension Plan contributions as determined by the Company. The Company may also retain and withhold or the Option Holder may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Shares having a market value of not less than the amount of such taxes and, if applicable, Canada Pension Plan contributions, as determined by the Company, required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Shares so withheld.

### **SECTION 11 ADJUSTMENTS AND TERMINATION**

#### 11.1 **Termination or Suspension of Plan**

Subject to any necessary Regulatory Approvals, the Committee may in its absolute discretion terminate or suspend the Plan.

#### 11.2 **No Grant During Suspension or After Termination of Plan**

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

#### 11.3 **Alteration in Capital Structure**

- (a) Following the date an Option is granted, the exercise price for and the number of Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this section 11.3, with the intent that the rights of Option Holders under their Options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board or Committee, and any such determination will be binding on the Company, the Option Holder and all other affected parties.
- (b) If the outstanding Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another company or entity, whether through an arrangement, amalgamation, merger, business combination, sale or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then on each exercise of the Option which occurs following such events, for each Share for which the Option is exercised, the Option Holder shall instead receive the number and kind of shares or other securities of the Company or other company into which

such Share would have been changed or for which such Share would have been exchanged if it had been outstanding on the date of such event and the exercise price will be similarly adjusted so that the aggregate price to exercise the Option is preserved, and if the Company undertakes an arrangement or is amalgamated, merged or combined with another company, the Board shall make such other provision for the protection of the rights of Option Holders as it shall deem advisable.

- (c) If the outstanding Shares are changed into or exchanged for a different number of shares or into or for other securities of the Company or securities of another company or entity, in a manner other than as specified in subsection 11.3(b), then the Board or Committee, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board or Committee in its sole and absolute discretion determines to be equitable to give effect to the principle described in subsection 11.3(a) and such adjustments shall be effective and binding upon the Company and the Option Holder and all the other parties for all purposes.
- (d) No adjustment or substitution provided for in this section 11.3 shall require the Company to issue a fractional share in respect of any Option. Fractional shares shall be eliminated.
- (e) The grant or existence of an Option shall not in any way limit or restrict the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.
- (f) For purposes of this section 11.3, and without limitation, neither:
  - (i) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
  - (ii) the conversion of outstanding securities of the Company into Shares,shall trigger any adjustment pursuant to this section 11.3.
- (g) Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2 of this Plan.
- (h) For greater certainty, any adjustment, other than in connection with a share consolidation or share split, to Options granted or issued under this Plan are subject to the prior acceptance of the TSXV, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

#### 11.4 **Triggering Events**

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event

in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

11.5 **Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject. For greater certainty, there shall be no acceleration of the vesting requirements applicable to Options granted to Investor Relations Service Providers without the prior written approval of the TSXV.

11.6 **Determinations to be Made By Committee**

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

## SCHEDULE A

**[Include the following hold period for stock options granted to: (i) directors, officers and promoters; (ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]**

**[WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL ● [insert the date which is four months and one day after the Grant Date].]**

### ABASCA RESOURCES INC.

#### STOCK OPTION PLAN – OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the “**Plan**”) of Abasca Resources Inc. (the “**Company**”) and evidences that ● [Name of Option Holder] is the holder (the “**Option Holder**”) of an option (the “**Option**”) to purchase up to ● common shares (the “**Shares**”) in the authorized share structure of the Company at a purchase price of CDN\$● per Share (the “**Exercise Price**”). This Option may be exercised at any time and from time to time from and including the Grant Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia (the “**Expiry Time**”) on the following Expiry Date:

- (a) the Grant Date of this Option is ●, 20●; and
- (b) subject to sections 5.2, 5.5, 6.2, 6.3, 6.4 and 11.4 of the Plan, the Expiry Date of this Option is ●, 20●.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

**[Include the following hold period for stock options granted to: (i) directors, officers and promoters; (ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]**

**[Any share certificates issued pursuant to an exercise of the Option before ● [insert the date which is four months and one day after the Grant Date] will contain the following legend:**

**“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE**

**TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL ● [insert the date which is four months and one day after the Grant Date].”]**

This Option was granted to the Option Holder in his or her capacity as a bona fide Director, Officer, Employee, Management Company Employee or Consultant of the Company, and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee, Management Company Employee or Consultant of the Company.

**ABASCA RESOURCES INC.**

Per:

\_\_\_\_\_  
Director

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is a bona fide Director, Officer, Employee, Management Company Employee or Consultant of the Company (**circle appropriate relationship with the Company**) and is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the applicable Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

By signing this Option Certificate, the undersigned also provides its express written consent to:

- (a) the disclosure of Personal Information (as defined below) by the Company to the TSX Venture Exchange (the “**TSXV**”) with respect to any and all forms required to be filed by the Company with the TSXV with respect to the grant of this Option; and
- (b) the collection, use and disclosure of Personal Information by the TSXV for the purposes described in Appendix 6A of the Corporate Finance Manual of the TSXV, or as otherwise identified by the TSXV, from time to time.

“**Personal Information**” means any information about an identifiable individual, and includes the information contained in the Form 4G – Summary Form – Incentive Stock Options to be filed by the Company with the TSXV.

[Signature page follows]

Signature of Option Holder:

\_\_\_\_\_  
Signature

Date signed: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_



## OPTION CERTIFICATE – SCHEDULE

**[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]**

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
  - (a) no more than ● Shares (●%) will vest and be exercisable after the Grant Date;
  - (b) no more than ● additional Shares (●%) will vest and be exercisable after ● [date];
  - (c) no more than ● additional Shares (●%) will vest and be exercisable after ● [date]; and
  - (d) the remainder of the ● additional Shares (●%) will vest and be exercisable after ● [date];
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in subsections 5.5(a) or 5.5(b) of the Plan, the Expiry Date of the Option shall be ● **[Insert date desired that is longer or shorter than the standard 90 days as set out in the Plan]** following the date the Option Holder ceases to hold such position.





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September 18, 2023

British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission

**Attention: Continuous Disclosure**

Dear Sirs/Mesdames:

**Re: Notice of Change of Auditor – Abasca Resources Inc. (the “Company”)**

We have read the Notice of Change of Auditor (the “Notice”) of the Company dated September 18, 2023, delivered to us pursuant to Part 4.11 of National Instrument 51-102.

In this regard, we confirm that we are in agreement with the information contained in the Notice as it relates to Manning Elliott LLP. The confirmation is based on our knowledge of the information as at the date of this letter.

Yours truly,

MANNING ELLIOTT LLP

*"MANNING ELLIOTT LLP"*

# McGovern Hurley

*Audit. Tax. Advisory.*

September 18, 2023

Ontario Securities Commission  
Alberta Securities Commission  
British Columbia Securities Commission  
TSX Venture Exchange

Dear Sirs/Mesdames:

**Re: Abasca Resources Inc.**

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We have reviewed the information contained in the Change of Auditor Notice of Abasca Resources Inc. dated September 18, 2023 (the "Notice"), which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

Based on our knowledge as of the date hereof, we agree with the statements contained in the Notice. We have no basis to agree or disagree with the comments in the notice relating to Manning Elliott LLP.

Yours truly,

McGovern Hurley LLP

*"McGovern Hurley LLP"*

Chartered Professional Accountants  
Licensed Public Accountants