

PERSEVERANCE METALS INC.
Suite 405, 375 Water Street
Vancouver, British Columbia V6B 5C6
Telephone: (604) 757-2603

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the shareholders of **PERSEVERANCE METALS INC.** (the "**Company**") will be held at 15th Floor, 1111 West Hastings Street, Vancouver, British Columbia, on Friday, December 5, 2025, at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the financial statements of the Company together with the auditor's report thereon for the financial year ended December 31, 2024;
2. to fix the number of directors at five (5);
3. to elect directors for the ensuing year;
4. to re-appoint DeVisser Gray LLP, Chartered Professional Accountants, as Auditors of the Company for the ensuing year and authorizing the Directors to fix their remuneration;
5. to consider and, if thought fit, to pass an ordinary resolution approving the Company's equity incentive plan, subject to regulatory approval, as more fully set forth in the Information Circular accompanying this notice; and
6. to transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the meeting and is deemed to form part of this notice.

The Board of Directors of the Company has by resolution fixed the close of business on October 31, 2025 as the record date for the meeting, being the date for the determination of the registered holders of common shares of the Company entitled to notice of and to vote at the meeting and any adjournment(s) thereof.

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the meeting, unless the chairman of the meeting elects to exercise his discretion to accept proxies received subsequently.

[The remainder of this page is intentionally left blank.]

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

DATED this 31st day of October, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

"Michael John Tucker"

Michael John Tucker

Chief Executive Officer and a Director

PERSEVERANCE METALS INC.

Suite 405, 375 Water Street
Vancouver, British Columbia V6B 5C6
Telephone: (604) 757-2603

INFORMATION CIRCULAR

(As at October 31, 2025, except as indicated)

Perseverance Metals Inc. (the "**Company**") is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the Annual General Meeting (the "**Meeting**") of the Company to be held on Friday, December 5, 2025 and at any adjournments. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. **Michael Tucker**, whose name is printed in the enclosed form of proxy, is Chief Executive Officer and a Director of the Company, and **John Foulkes**, whose name is printed in the enclosed form of proxy, is President and Corporate Secretary of the Company (the "**Management Proxyholders**").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares 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 instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners ("**NOBOs**"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**").

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "**Shares**"), of which 28,730,275 Shares are issued and outstanding. Persons who are registered shareholders at the close of business on October 31, 2025 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

FINANCIAL STATEMENTS AND AUDITORS' REPORT

The audited financial statements of the Company (the "**Financial Statements**") for the year ended December 31, 2024, and the auditors' report thereon, will be tabled before the Shareholders at the Meeting. The audited financial statements have been approved by the audit committee and the Board of Directors. The Financial Statements can also be found under the Company's profile on SEDAR+ at www.sedarplus.ca. No vote by the Shareholders is required to be taken with respect to the Financial Statements.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of Directors of the Company at five (5).

The Company does not have an executive committee and is required to have an audit committee. Members of the audit committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years	Previous Service as a Director	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽²⁾
MICHAEL JOHN TUCKER⁽⁴⁾ British Columbia, Canada <i>Chief Executive Officer and Director</i>	Chief Executive Officer of the Company (March 24, 2022 – present); Director & Lead Geologist of Regency Silver Corp. (November 2020 – present); Interim CEO (September 2022 - October 2023) and Vice President, Exploration (September 2020 - August 2022) of KARUS Gold Corp.; Exploration Manager (2017-2020) and Project Geologist (2014-2017) of Balmoral Resources Ltd.	March 24, 2022	810,000
ANDREW KAIP⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ British Columbia, Canada <i>Director</i>	Analyst of Konwave AG (January 2025 - present); VP Business Development of Hy-Tech Drilling Ltd. (October 2022 - October 2024); Chief Executive Officer of Karus Gold Corp. (March 2020 - August 2022); Independent Strategic Consultant (January 2020 - February 2021) and Managing Director of BMO Nesbitt Burns (April 2009 - November 2019)	March 24, 2022	860,005
MICHAEL JOSEPH GRAY⁽¹⁾⁽⁴⁾ British Columbia, Canada <i>Director</i>	Partner of Agentis Capital Mining Partners (“Agentis”) (September 2019 – present)	March 24, 2022	1,188,560
EDIE ELLEN THOME⁽²⁾⁽³⁾ Alberta, Canada <i>Director</i>	Independent director of Wesdome Gold Mines (June 2020 – present); Principal of contract company providing management and consultation services (April 2022 – present); Independent director of Blackrock Silver Corp (December 2022 - December 2024); Lead Director of Blackwolf Copper and Gold (August 2020 - June 2022)	March 22, 2024	20,332

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years	Previous Service as a Director	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽²⁾
FILIP PAPICH ⁽¹⁾⁽²⁾⁽³⁾ Quebec, Canada <i>Director</i>	Chair of Exterra Carbon Solutions (2024 - present); Managing Director and Co-Head of BMO Capital Markets (2018 - 2023)	March 22, 2024	90,555

Notes:

- (1) Audit Committee member.
- (2) Compensation Committee member.
- (3) Governance and Nominating Committee member.
- (4) Technical Committee member.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:
 - (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to

or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or

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

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

Name of Director	Name of Other Reporting Issuer
Michael Tucker	Regency Silver Corp. (TSXV: RSMX)
Andrew Kaip	Vox Royalty Corp. (TSX: VOXR)
Eddie Thome	Wesdome Gold Mines Ltd. (TSX: WDO)
Michael Gray	Adyton Resources Corporation (TSXV: ADY)

STATEMENT OF EXECUTIVE COMPENSATION

The following disclosure sets forth the compensation paid, awarded, granted, given or otherwise provided to each named executive officer and director for the most recently completed financial year.

Named Executive Officers

For the purposes of the remainder of this Information Circular, a Named Executive Officer of the Company means each of the following individuals:

- (a) the CEO;
- (b) the CFO;
- (c) the most highly compensated executive officer of the Company other than the individuals identified in paragraphs (a) and (b) above, at December 31, 2024, whose total compensation was more than \$150,000; and
- (d) each individual who would be named an executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at December 31, 2024.

(collectively the "Named Executive Officers" or "NEOs").

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly

in any capacity, to the Company by such persons, for the most recently completed financial year, excluding compensation securities:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
MICHAEL JOHN TUCKER British Columbia, Canada <i>Chief Executive Officer and Director</i>	2024	180,000	Nil	Nil	Nil	Nil	180,000
ANIL JIWANI⁽¹⁾ British Columbia, Canada <i>Chief Financial Officer</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
JOHN PAUL FOULKES British Columbia, Canada <i>President and Corporate Secretary</i>	2024	180,000	Nil	Nil	Nil	Nil	180,000
ANDREW KAIP British Columbia, Canada <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
MICHAEL JOSEPH GRAY British Columbia, Canada <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
EDIE ELLEN THOME Alberta, Canada <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
FILIP PAPICH Quebec, Canada <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Avisar Everyday Solutions Ltd. ("Avisar"), a Company in which Mr. Jiwani is a director and officer, provides consulting services to the Company for \$8,000/month.

External Management Companies

The Company has not engaged the services of an external management company to provide executive management services to the Company, directly or indirectly.

Stock Options and Other Compensation Securities

For the most recently completed financial year ended December 31, 2024, 180,000 compensation securities were granted to Company directors and NEOs. The following table discloses all

compensation securities granted or issued to each NEO and director by the Company in the financial year ended December 31, 2024:

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	No. of Compensation Securities, no. of underlying securities and percentage of class	Date of issuance or grant	Issue, Conversion or Exercise Price (\$)	Closing price or estimate market value of underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
FILIP PAPICH <i>Director</i>	Options	75,000	April 25, 2024	\$0.80	N/A	N/A	April 25, 2029
EDIE ELLEN THOME <i>Director</i>	Options	75,000	April 25, 2024	\$0.80	N/A	N/A	April 25, 2029
ANIL JIWANI <i>CFO</i>	Options	30,000	April 25, 2024	\$0.80	N/A	N/A	April 25, 2029

Exercise of Compensation Securities

There were no compensation securities exercised by any Director and Named Executive Officer in the most recently completed financial year.

Stock Option Plan

A long-term incentive plan was approved by the Company's Board of Directors effective as of June 26, 2023 and further amended on July 10, 2025 (the "**Equity Incentive Plan**"). The Equity Incentive Plan is a 10% "rolling" plan which authorizes the Board to grant such number of stock options ("**Stock Options**"), Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**") and/or Stock Appreciation Rights ("**SARs**" and collectively with Stock Options, RSUs, PSUs and DSUs, "**Incentive Securities**") to Eligible Persons (as defined below) that is equal to 10% of the issued and outstanding Common Shares at the date of any grant of Incentive Securities.

Any definitions or capitalized terms used or referenced below have the same meaning attributed to them in the Equity Incentive Plan which is accessible on the Company's SEDAR+ profile at www.sedarplus.ca.

The purpose of the Equity Incentive Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

The Equity Incentive Plan provides for the grant of Incentive Securities (the “**Award**”) to Directors, Officers, Employees, Management Company Employees and Consultants of the Company or a subsidiary of the Company, or an Eligible Charitable Organization (collectively, “**Eligible Persons**”), (see “*Summary of Equity Incentive Plan*”).

Employment, Consulting and Management Agreements

Except as disclosed below, the Company does not have any written employment, consulting or management agreements in place with any of its officers or directors.

On September 30, 2024, the Company entered into an employment agreement with (i) Michael John Tucker, pursuant to which Mr. Tucker agreed to serve as CEO of the Company for an indefinite period (the “**Tucker Agreement**”); and (ii) John Paul Foulkes, pursuant to which Mr. Foulkes agreed to serve as President and Corporate Secretary of the Company for an indefinite period (the “**Foulkes Agreement**” and together with the Tucker Agreement, the “**Executive Agreements**”).

Under the Executive Agreements, each of Mr. Tucker and Mr. Foulkes will be paid an annual salary of \$180,000. The Executive Agreements set out compensation terms for the executive, along with additional terms and conditions of employment. In general, the Executive Agreements provide for participation in the Company’s equity incentive programs, performance bonuses, officer insurance, vacation, professional development, expense reimbursement and future enrollment in potential benefits. In addition, the Executive Agreements include various restrictions on disclosure of confidential information and competing against the Company.

Mr. Tucker and Mr. Foulkes may resign from the Company by giving the Company twelve weeks’ working notice and the Company may terminate the employment of Mr. Tucker or Mr. Foulkes without cause by providing the employee with six months’ working notice plus an additional month of working notice for each year of employment completed, to a maximum of twelve months, or base salary in lieu of notice. If the employee resigns or is terminated without cause, the employee will be entitled the full amount of the instalments falling due in respect of the employee’s annual salary through to the termination date plus the amount of any accrued unpaid vacation pay to the termination date, the amount of any expenses reimbursable under the Executive Agreements, and the amount, if any, of any other compensation actually accrued and then payable to the employee which has not been paid. The employee will be entitled to any Stock Options or Awards which have properly vested in accordance with the terms of the Equity Incentive Plan.

The Company may at any time terminate the employment of Mr. Tucker or Mr. Foulkes for any just cause and in such event the employee shall not be entitled to any compensation or notice, but shall be entitled to receive the full amount of the instalments falling due in respect of the employee’s annual salary through to the effective date of the termination, plus an amount of any accrued unpaid vacation pay to the date of termination and the amount, if any, of any other compensation payable to the employee which has not been paid. Any Stock Options and Awards which have not vested or have not been exercised will be forfeited and cancelled as at the date of termination.

Upon a takeover of control of the Company, and for a period of twelve months thereafter, if Mr. Tucker or Mr. Foulkes receives notice that his employment will be terminated for any reason other than just cause or if Mr. Tucker or Mr. Foulkes elects to resign upon the occurrence of a

“Triggering Event”, the employee will be entitled to a change of control payment (“**Change of Control Payment**”). For the purposes of this section, a “Triggering Event” shall mean (a) an adverse change in any of the duties, powers, rights, discretion, salary, benefits, perquisites of the employee as they exist, and with respect to financial entitlements, the conditions under and manner in which they were payable, immediately prior to the change of control; (b) a diminution of the employee’s job title as it exists immediately prior to the change of control; (c) a change in the position or body to whom the employee reports immediately prior to the Change of Control, except if such position or body is of equivalent rank or stature; and (d) any request by the Company or any affiliate that the employee participate in an unlawful act.

The Change of Control Payment shall consist of the following:

- (a) if the employee has not completed three consecutive years of service under the applicable Executive Agreement, an amount equal to the annual salary that the employee is then entitled to receive pursuant to the terms of the Executive Agreement, multiplied by 1.5; or
- (b) if the employee has completed three consecutive years of service but not five consecutive years of service under the applicable Executive Agreement, an amount equal to the annual that the employee is then entitled to receive pursuant to the terms of the Executive Agreement, multiplied by 2.5.

The following table shows estimated incremental payments triggered pursuant to termination of employment of Mr. Tucker and Mr. Foulkes in accordance with the termination provisions described above:

Name and Position	Termination Without Cause ^{(1) (2) (3)}	Termination on Change of Control Provision Value ^{(1) (2)}
Michael John Tucker CEO	\$90,000	\$270,000
John Paul Foulkes President & Corporate Secretary	\$90,000	\$270,000

Notes:

- (1) This does not include any accrued but unpaid annual salary and bonus payments or accrued vacation or any expenses to be reimbursed.
- (2) This does not include the value of any Stock Options or Awards granted to the employee in accordance with the Company’s Equity Incentive Plan.
- (3) This assumes the employee was terminated without cause and was paid his base salary in lieu of six months’ working notice.

On January 1, 2024, the Company entered into an engagement letter with Avisar (the “**Avisar Agreement**”), a company of which Anil Jiwani, the Company’s Chief Financial Officer, is a director and officer. Pursuant to the Avisar Agreement, Avisar agreed to provide bookkeeping, treasury, accounting and financial reporting services to the Company for a fee of \$8,000 per month. As part of these services, Mr. Jiwani acts as CFO of the Company. The Avisar Agreement may be terminated (i) by the Company by providing 90 days’ notice to Avisar, and (ii) by Avisar, if the Company does not fulfil its obligations under the Avisar Agreement and does not remedy such breach within seven days from receiving notice from Avisar.

Oversight and Description of Director and NEO Compensation

The Board is responsible for determining, by way of discussions at Board meetings, the compensation to be paid to the Company's executive officers and directors. In assessing the compensation of its directors and executive officers, including the NEOs, the Company does not have in place any formal objectives, criteria or analysis; however, the performance of each individual is considered along with the Company's ability to pay compensation and its results of operation for the period.

Compensation payable to executive officers and directors will be approved by the full Board, on an annual basis. The Company has not established any specific performance criteria or goals to which total compensation or any significant element of total compensation to be paid to any NEO is dependent. NEOs' performance is reviewed in light of the Company's objectives from time to time and such officers' compensation is also compared to that of executive officers of companies of similar size and stage of development in the mining industry.

Future compensation to be awarded or paid to the Company's directors and/or executive officers, including NEOs, once the Company is expected to consist primarily of management fees or salary, stock options and bonuses. In the meantime, payments may be made from time to time to executive officers, including NEOs, or companies they control for the provision of consulting or management services. Such services will be paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers. In addition, it is anticipated that the Board may award bonuses, in its sole discretion, to executive officers, including NEOs, from time to time. Any compensation paid to the Company's NEOs is dependent upon the Company's finances as well as the performance of each of the NEOs.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Company has no defined benefit or actuarial plans.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	N/A	N/A	N/A

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	N/A	N/A	N/A

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at October 31, 2025, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

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

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

in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, 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, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed

transaction which in either such case has materially affected or would materially affect the Company or its subsidiaries.

APPOINTMENT OF AUDITORS

DeVisser Gray LLP, Chartered Professional Accountants, of Vancouver, British Columbia, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Company to hold office for the ensuing year.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company. See "*Employment, Consulting and Management Agreements*".

AUDIT COMMITTEE

Audit Committee Charter

Mandate

The primary function of the audit committee (for the purposes of this section, the "**Audit Committee**") of Perseverance Metals Inc. ("**Perseverance**") is to assist the board of directors of Perseverance (the "**Perseverance Board**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by Perseverance to regulatory authorities and shareholders, Perseverance's systems of internal controls regarding finance and accounting and Perseverance's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, Perseverance's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor Perseverance's financial reporting and internal control system and review Perseverance's financial statements.
- Review and appraise the performance of Perseverance's external auditors.
- Provide an open avenue of communication among Perseverance's auditors, financial and senior management and the Perseverance Board.

Composition

The Audit Committee shall be comprised of three directors as determined by the Perseverance Board, the majority of whom shall be free from any relationship that, in the opinion of the Perseverance Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards

becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by Perseverance's financial statements.

The members of the Audit Committee shall be elected by the Perseverance Board at its first meeting following the annual shareholders' meeting. Unless a chair is elected by the full Perseverance Board, the members of the Audit Committee may designate a chair by a majority vote of the full committee membership.

Meetings

The Audit Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update the Audit Committee charter annually.
- (b) Review Perseverance's financial statements, MD&A and any annual and interim earnings, press releases before Perseverance publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Perseverance Board and the Audit Committee as representatives of the Perseverance Shareholders.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and Perseverance, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Perseverance Board take, appropriate action to oversee the independence of the external auditors.

- (e) Recommend to Perseverance Board the selection and, where applicable, the replacement of the external auditors nominated annually for Perseverance Shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of Perseverance's accounting principles, internal controls and the completeness and accuracy of Perseverance's financial statements.
- (g) Review and approve Perseverance's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of Perseverance.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by Perseverance's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to Perseverance constitutes not more than five percent of the total amount of revenues paid by Perseverance to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by Perseverance at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Perseverance and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Perseverance Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of Perseverance's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of Perseverance's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to Perseverance's auditing and accounting principles and practices as suggested by the external auditors and management.

- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of Perseverance of concerns regarding questionable accounting or auditing matters.

Risk Management

- (a) To review, at least annually, and more frequently if necessary, Perseverance's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
- (b) To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
- (c) To request the external auditor's opinion of management's assessment of significant risks facing Perseverance and how effectively they are being managed or controlled.
- (d) To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Perseverance Board.

Other

Review any related-party transactions.

Composition of the Committee

The following are the members of the Committee:

Andrew Kaip	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Michael Joseph Gray	Not Independent ⁽¹⁾⁽²⁾	Financially literate ⁽¹⁾
Filip Papich	Independent ⁽¹⁾	Financially literate ⁽¹⁾

(1) As defined by NI 52-110.

(2) Michael Gray is not independent as he is a partner of Agentis, an entity which is entitled to advisory fees from the Company pursuant to the Agentis advisory agreements.

Relevant Education and Experience

Andrew Kaip is a Professional Geoscientist and holds an MSc. in Geology from the University of British Columbia. As a geologist, he spent over a decade in the exploration industry working in North, Central and South America. As a Mining Analyst, he was consistently ranked in the Top 3 by Brendan Woods International for both the Large and Small/Mid-cap Precious Metal and Diamond Categories. Working with BMO Capital Markets as the Co-Head of Mining Research, Mr. Kaip was instrumental in building a global franchise covering more than 150 companies.

Michael Joseph Gray is a geologist with a BSc and MSc. He has been a sell-side mining equity analyst for the past 20 years. He is currently a partner with Agentis (since 2019) and previously had a nine year career with Macquarie Capital Markets Canada Ltd., where he was Managing Director and Team Head, Canadian Mining Equity Research. Prior to this, he was an Equity Mining Analyst at Genuity Capital Markets and PI Financial Corp. (now Ventum Financial Corp.). Corporately, Michael co-founded Rubicon Minerals as a new junior explorer (1996 - 2005). He also brings extensive technical knowledge from his experience with various senior mining companies including Lac Minerals, Minnova, Falconbridge and Cominco. He is past-President of the +5,000 member Association for Mineral Exploration (AME) and is currently a director of Toro Silver Corp.

Filip Papich has had a renowned 36-year career in the banking industry, having worked for U.S., Swiss and Canadian banks in Montreal, Toronto, New York, and London. Mr. Papich spent that last 27 years of his banking career at BMO Capital Markets. He most recently served as Managing Director and Co-Head of BMO Capital Markets Québec (2018-2023), Co-Head of the BMO Global Trade and Banking Group (2015- 2018) and founder of the Trading Products Institutional Relationship Management team responsible for deepening the delivery of BMO Capital Markets products and services into the institutional investor and large corporate client bases in North America and Europe (2007-2015).

Since May 2023, Mr. Papich has stepped away from banking and has been selectively involved in early-stage opportunities, including sitting on the Board of Exterra Capital Solutions (mineral waste transformation into valuable byproducts and durable carbon storage) and sitting on the advisory boards of Nurau Inc (AI powered management support tool), Claynosaurz (web series NFT and social media) and Vlad and Company (executive search firm).

Mr. Papich has always been actively involved in the community with particular interest in education and health. He is Chair Emeritus of the McGill Engineering Faculty Advancement Board, and was a member of the McGill 200-year Campaign Committee (2022-2024). He is an x-board member of the Veritas Fund (Selwyn House) and the Loran Scholars Foundation. Past board memberships also include Investment Industry Association of Canada (Chair Quebec Chapter), St Mary's Hospital Foundation Board, Hillside Tennis Club, Bankers Association for Finance & Trade (Co-Chair North American Chapter), BMO Capital Markets Diversity Council (Chair) and the BMO Capital Markets Risk Committee.

Mr. Papich has a Bachelor of Engineering (Mechanical) degree from McGill University and an MBA from the Ivey Business School at the University of Western Ontario.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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 Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "*Responsibilities and Duties*".

External Auditors Service Fees (By Category)

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2024	\$22,500	\$14,000	Nil	Nil

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

National Policy 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 these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board consists of five Directors, three of whom are independent based upon the tests for independence set forth in NI 52-110. Andrew Kaip, Edie Ellen Thome and Filip Papich are independent. Michael John Tucker is not independent as he is the CEO of the Company. Michael Joseph Gray is not independent as he is a partner of Agentis, an entity which is entitled to advisory fees from the Company pursuant to the Agentis advisory agreements.

Management Supervision by Board

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance.

Risk Management

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The Audit Committee is responsible for the risk management items set out in the Audit Committee Charter.

Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
3. access to management and technical experts and consultants; and
4. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

While the Company has not adopted a written code of business conduct and ethics, the Board will from time to time discuss and emphasize the importance of matters relating to conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, compliance with laws and the reporting of any illegal or unethical behaviour.

Nomination of Directors

The Nominating and Governance Committee is responsible for nominating directors. The Board is responsible for considering which additional skills and competencies would be helpful to the Board, while the Nominating and Governance Committee is responsible for identifying and recommending potential nominees for directorship and senior management. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

The Board will consider its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

Compensation of Directors and the CEO

Compensation matters are currently determined by the Compensation Committee. The Compensation Committee is responsible for reviewing the compensation plans and severance arrangements for the Company's management and Board, to ensure they are commensurate with comparable companies within the industry. The Compensation Committee will ensure that the Company has a plan for continuity of its officers and a compensation plan that is motivational and competitive.

Board Committees

The Board of Directors has four committees, being the Audit Committee, which consists of Andrew Kaip (interim Chair), Filip Papich and Michael Gray; the Compensation Committee, which consists of Filip Papich (Chair) Andrew Kaip and Edie Thome; the Governance and Nominating Committee, which consists of Edie Thome (Chair), Andrew Kaip, Filip Papich and John Foulkes; and the Technical Committee, which consists of Andrew Kaip (Chair), Michael Gray and Michael Tucker.

Assessments

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account: (1) in the case of the Board, its mandate; and (2) in the case of an individual director, the applicable position description(s) and the mandate of any Board committees the individual director is a member of, if any, as well as the competencies and skills each individual director is expected to possess.

Nomination and Assessment

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

Expectations of Management

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.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Rolling 10% Equity Incentive Plan

A long-term incentive plan was approved by the Company's Board of Directors effective as of June 26, 2023 and further amended on July 10, 2025 (the "**Equity Incentive Plan**"). The Equity Incentive Plan is a 10% "rolling" plan which authorizes the Board to grant such number of stock options ("**Stock Options**"), Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**") and/or Stock Appreciation Rights ("**SARs**" and collectively with Stock Options, RSUs, PSUs and DSUs, "**Incentive Securities**") to Eligible Persons (as defined below) that is equal to 10% of the issued and outstanding Common Shares at the date of any grant of Incentive Securities.

Any definitions or capitalized terms used or referenced below have the same meaning attributed to them in the Equity Incentive Plan which is attached to this Information Circular as Schedule "A" and will be accessible on the Company's SEDAR+ profile at www.sedarplus.ca.

Summary of Equity Incentive Plan

The purpose of the Equity Incentive Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

The Equity Incentive Plan provides for the grant of Incentive Securities (the "**Award**") to Directors, Officers, Employees, Management Company Employees and Consultants of the Company or a subsidiary of the Company, or an Eligible Charitable Organization (collectively, "**Eligible Persons**"), as further described in the following summary.

Plan Administration

The Equity Incentive Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on any Participants of the Equity Incentive Plan and the Company, subject to any required approval of the TSX Venture Exchange ("**TSXV**").

Common Shares Available for Incentive Securities

The maximum aggregate number of Common Shares issuable in respect of all Incentive Securities granted or issued under the Equity Incentive Plan and all of the Company's other previously

established equity incentive plans, at any point in time, shall not exceed ten percent (10%) of the total number of issued and outstanding Common Shares on a non-diluted basis on the date of the Award.

Participation Limits

The Equity Incentive Plan provides the following limitations on grants:

- (a) The aggregate number of Common Shares issuable to any one Consultant in any twelve (12) month period in respect of all Incentive Securities shall not exceed two percent (2%) of the issued and outstanding Common Shares on a non-diluted basis, calculated on the date of the Award.
- (b) The aggregate number of Common Shares issuable to any one person in any twelve (12) month period in respect of all Incentive Securities shall not exceed five percent (5%) of the issued and outstanding Common Shares on a non-diluted basis, calculated on the date of the Award, unless the Company has obtained the requisite disinterested shareholder approval pursuant to TSXV policy.
- (c) The aggregate number of Common Shares issuable to all Insiders (as a group) in any twelve (12) month period in respect of all Incentive Securities, shall not exceed ten (10%) of the issued and outstanding Common Shares on a non-diluted basis, calculated on the date of the Award, unless the Company has obtained the requisite disinterested shareholder approval pursuant to TSXV policy.
- (d) Eligible Persons who are Investor Relations Service Providers may only receive Stock Options under the Equity Incentive Plan (so long as the Common Shares are listed on the TSXV) and the aggregate number of Common Shares issuable to all Investor Relations Service Providers in any twelve (12) month period pursuant to the exercise of Stock Options shall not exceed two percent (2%) of the issued and outstanding Common Shares on a non-diluted basis, calculated on the date of the Award.
- (e) Eligible Persons who are Eligible Charitable Organizations may only receive Stock Options under the Equity Incentive Plan (so long as the Common Shares are listed on the TSXV) and the aggregate number of Common Shares issuable to all Eligible Charitable Organizations in respect of Incentive Securities at any point in time shall not exceed one percent (1%) of the issued and outstanding Common Shares on a non-diluted basis, calculated on the date of the Award.

Eligibility and Participation

Subject to the provisions of the Equity Incentive Plan (including, without limitation, restrictions on grants to Investor Relations Service Providers and Eligible Charitable Organizations) and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Incentive Securities to all categories of Eligible Persons.

General Vesting Requirement

No Incentive Securities granted or issued under the Equity Incentive Plan, other than Stock Options, may vest before the date that is one year following the date of an Award. Notwithstanding this provision, subject to the approval of the TSXV with respect to Incentive Securities held by Investor Relations Service Providers, vesting may be accelerated by the Board in its sole discretion for Incentive Securities held by a Participant who dies or who ceases to be an Eligible Person under the Equity Incentive Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction as permitted by section 4.6 of TSXV Policy 4.4. All Stock Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Stock Options vesting sooner than three (3) months after the Stock Options were granted and no more than another one-quarter (1/4) of the Stock Options becoming exercisable in any following three (3) month period.

Description of RSUs

A RSU is an Award that is a bonus for services rendered in the year of grant that, upon settlement, entitles the recipient Participant to receive a number of Common Shares equal to the number of RSUs credited to a Participant's Account on certain vesting dates.

RSUs shall be subject to such restrictions as the Board, in its discretion, may establish or determine in the applicable Award Agreement or at the time an Award is granted. Unless otherwise provided for in an Award Agreement, all RSUs will vest and become payable by the issuance of Common Shares at the end of the restricted period as specified by the Board in the applicable Award Agreement. Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested; provided that no acceleration of vesting of RSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such RSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.

Effect of Termination on RSUs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Equity Incentive Plan, RSUs shall be subject to the following conditions:

- (a) Death: Upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Equity Incentive Plan.
- (b) Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to such Participant will be immediately and automatically forfeited and cancelled.

- (c) Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach or due to disability, any RSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. Any RSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Equity Incentive Plan.
- (d) Disability: Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under the Equity Incentive Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with the terms of the Equity Incentive Plan.
- (e) Directorships: Where a Participant ceases to be a Director for any reason, any RSUs granted to such Participant which, prior to cessation, have not vested, will be immediately and automatically forfeited and cancelled unless the applicable Award Agreement provides otherwise. Any RSUs granted to such Participant, which prior to cessation, have vested, will accrue to the Participant in accordance with the provisions of the Equity Incentive Plan.

Description of PSUs

A PSU is an Award that is granted based on the attainment of performance criteria within a certain period, which criteria and period shall be selected, settled and determined by the Board. An Award Agreement may provide the Board with the right during a Performance Cycle or after it has ended, to revise Performance Criteria and Award amounts if unforeseen events occur.

All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for a Performance Cycle, as determined by the Board. Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all PSUs shall become fully vested, provided that no acceleration of vesting of PSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such PSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.

Effect of Termination on PSUs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Equity Incentive Plan, PSUs shall be subject to the following conditions:

- (a) Death: Upon the death of a Participant, any PSUs granted to such Participant which, prior to the Participant's death, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to the Participant's death, had vested, will accrue to the Participant's estate in accordance with the provisions of the Equity Incentive Plan.
- (b) Termination of Employment or Service for Cause: Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to such Participant will be immediately and automatically forfeited and cancelled.
- (c) Termination of Employment or Service for Cause, Voluntary Termination or Retirement: Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any PSUs granted to such Participant which, prior to termination, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Equity Incentive Plan.
- (d) Disability: Where a Participant becomes afflicted by a Disability, all PSUs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such PSUs, provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant under the Equity Incentive Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to termination, had vested, will accrue to the Participant in accordance with the provisions of the Equity Incentive Plan.
- (e) Directorships: Where a Participant ceases to be a Director for any reason, any PSUs granted to such Participant which, prior to cessation, had not vested, will be immediately and automatically forfeited and cancelled. However, the Board may determine that certain PSUs have vested based on the extent which Performance Criteria have been satisfied in that portion of the Performance Cycle that has lapsed. Any PSUs granted to such Participant, which prior to cessation, had vested, will accrue to the Participant in accordance with the provisions of the Equity Incentive Plan.

Description of DSUs

A DSU is an Award that is payable after the effective date that a Participant ceases to be an Eligible Person under the Equity Incentive Plan, subject to certain vesting criteria. The number of DSUs to be credited to each Participant shall be determined by the Board and such DSUs shall be credited, as of the Grant Date, to the Participant's Account. Each DSU shall, contingent upon the occurrence of the applicable vesting criteria, represent one (1) Share. The number of DSUs granted pursuant to an Award and the vesting criteria in respect of such DSUs shall be specified in the applicable Award Agreement.

Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all DSUs shall become fully vested; provided that no acceleration of vesting of DSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such DSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.

The payment of DSUs will occur on the date that is designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day, or such earlier date as the Participant and Company may agree. If no notice is given by the Participant for a designated day, the DSUs shall be payable on the first anniversary of the date on which the Participant ceases to be an Eligible Person or any earlier period on which the DSUs vested, as the case may be, at the sole discretion of the Participant.

Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, such Common Shares that would have otherwise been payable to the Participant in accordance with the Equity Incentive Plan upon such Participant ceasing to be an Eligible Person.

Election by Directors - DSUs

Under the Equity Incentive Plan, Directors may elect to receive directorship fees in the form of DSUs which election must be made within certain timeframes as specified in the Equity Incentive Plan. In case of an election by a Director, the number of DSUs to be credited shall be determined by dividing applicable directorship fees with the Market Price on the Grant Date of the DSUs or if more appropriate, another trading range that best represents the period for which the DSUs were earned (subject to minimum pricing requirements under TSXV policies). No fractional DSUs shall be credited to any Director.

Description of Stock Options

A Stock Option is an Award that gives a Participant the right to purchase one Common Share at a specified price in accordance with the terms of the Award Agreement and the Equity Incentive Plan. The exercise price of the Stock Options shall be determined by the Board at the time the Stock Options are granted but in no event shall such exercise price be lower than the discounted Market Price permitted by the TSXV.

The maximum term of any Stock Option shall not exceed ten (10) years and the Board shall determine the vesting, performance and other conditions, if any, that must be satisfied before all or part of a

Stock Option may be exercised, subject to any vesting restrictions set out in TSXV Policy 4.4. In the case of a Stock Option grant to an Eligible Charitable Organization, such Stock Option must be exercised on or before the earlier of (a) ten (10) years from the date of grant and (b) the 90th day following the date that the holder ceases to be an Eligible Charitable Organization. Unless otherwise determined by the Board, upon the occurrence of a Change of Control, all Stock Options shall become fully vested except for Stock Options held by Investor Relations Service Providers, which acceleration is subject to acceptance of the TSXV.

Stock Options will be exercised pursuant to their applicable Award Agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award Agreement and of a form of cash payment acceptable to the Company for the full purchase price of the Common Shares to be issued.

Effect of Termination on Stock Options

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Equity Incentive Plan, Stock Options shall be subject to the following conditions:

- (a) **Death:** Upon death of a Participant, any Stock Options held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 180 days after the date of death or prior to the expiration of the Stock Options, whichever is sooner, only to the extent the Participant was entitled to exercise the Stock Options at the date of death of such Participant.
- (b) **Termination of Employment or Service for Cause:** Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Stock Options shall be exercisable from the date of termination determined by the Board.
- (c) **Termination of Employment or Service for Cause, Voluntary Termination or Retirement:** Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Stock Options held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board (or any longer period as set out in the Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Stock Options, whichever is sooner, only to the extent the Participant was entitled to exercise the Stock Options at the date of termination.
- (d) **Disability:** Where a Participant becomes afflicted by a Disability, all Stock Options granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such Stock Options. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, any Stock Option held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the

applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Stock Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Stock Option at the date of termination determined by the Board.

- (e) Directorships: Where a Participant ceases to be a Director for any reason, any Stock Options held by such Participant on the Cessation Date shall be exercisable for a period of 90 days (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Stock Options, whichever is sooner, only to the extent the Director was entitled to exercise the Stock Options at the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Stock Options granted to the Participant will continue to vest in accordance with the terms of such Stock Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Stock Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Stock Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Stock Option as of the Cessation Date.

Description of SARs

A SAR is an Award that gives a Participant the right to receive payment equal to the excess, if any, of:

- (a) the Market Price at the date which a SAR is exercised; over
- (b) the applicable grant price of a SAR,

multiplied by the number of Common Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the “**SAR Amount**”).

The grant price of a SAR shall be determined by the Board at the time the SAR is granted, which in no event shall be lower than the discounted Market Price permitted by the TSXV. The actual number of Common Shares to be granted to the Participant upon payment of a SAR shall be the aggregate SAR Amount divided by the Market Price at the time of exercise.

The maximum term of any SAR shall not exceed ten (10) years and the Board shall determine the vesting, settlement and other terms of any SAR. In the sole discretion of the Board, the Award Agreement for a SAR may provide that the Company may elect to satisfy the exercise of a SAR by paying to the Participant cash in the amount equal to the SAR excess amount in lieu of Common Shares.

SARs will be exercised pursuant to their applicable Award Agreement which exercise shall be contingent upon receipt by the Company of a written notice of exercise set forth in the applicable Award Agreement. Unless otherwise determined by the Board, in the event of a Change of Control, all SARs granted to a Participant shall become fully vested in such Participant and shall become

exercisable by the Participant, provided that no acceleration of vesting of SARs upon a Change of Control can occur prior to the date that is one year from the date of grant of such SARs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.

Effect of Termination on SARs

Except as otherwise set forth in an applicable Award Agreement and subject to the provisions of the Equity Incentive Plan, SARs shall be subject to the following conditions:

- (a) **Death:** Upon death of a Participant, any SARs held by such Participant at the date of death shall be exercisable (by an inheritor or the Participant's estate) for a period of 180 days after the date of death or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of death of such Participant.
- (b) **Termination of Employment or Service for Cause:** Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR shall be exercisable from the date of termination determined by the Board.
- (c) **Termination of Employment or Service for Cause, Voluntary Termination or Retirement:** Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination, due to retirement, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SARs held by such Participant at the date of termination shall be exercisable for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the SAR, whichever is sooner, only to the extent the Participant was entitled to exercise the SAR at the date of termination.
- (d) **Disability:** Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.
- (e) **Directorships:** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any SAR held by such Participant at such time shall, subject to the applicable Award Agreement and the terms of the Equity Incentive Plan, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to

the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

Non-Transferability of Incentive Securities

No Incentive Securities and no right under any such Incentive Securities, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Incentive Securities and no right under any such Incentive Securities, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Amendment and Termination of the Equity Incentive Plan

The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue the Equity Incentive Plan and may amend the terms and conditions of any Awards granted thereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of Shareholders in accordance with the Exchange Policy 4.4 or applicable law. Without limitation, Shareholder approval shall not be required for the following amendments:

- (a) amendments to fix typographical errors;
- (b) amendments to clarify existing provisions of the Equity Incentive Plan that do not have the effect of altering the scope, nature and intent of such provisions; and
- (c) amendments that are necessary to comply with applicable law or the requirements of the Exchange.

Forfeiture Events

The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

Amendments to Incentive Securities

Subject to compliance with applicable laws and TSXV policies, the Board may make amendments or alterations to Incentive Securities, provided that no amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, provided that no such consent shall be required if the amendment or alteration is: (a) either required or advisable in respect of compliance with any law, regulation or requirement of any accounting standard; or (b) not reasonably likely to significantly diminish the benefits provided under such Incentive Security.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Company authorize, approve, ratify and confirm, subject to regulatory approval, the Equity Incentive Plan pursuant to which the board of directors of the Company may, from time to time, authorize the issuance of stock options ("**Stock Options**"), Restricted Share Units ("**RSUs**"), Performance Share Units ("**PSUs**"), Deferred Share Units ("**DSUs**") and/or Stock Appreciation Rights ("**SARs**" and collectively with Stock Options, RSUs, PSUs and DSUs, "**Incentive Securities**") to Eligible Persons (as defined below) that is equal to 10% of the issued and outstanding Common Shares at the date of any grant of Incentive Securities; and
2. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolution."

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Equity Incentive Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at Suite 405, 375 Water Street, Vancouver, British Columbia V6B 5C6, Telephone: (604) 757-2603, to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it

is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 31st day of October, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

"Michael John Tucker"

Michael John Tucker

Chief Executive Officer and a Director

Schedule "A"
Equity Incentive Plan

PERSEVERANCE METALS INC.
(the "Company")

Long-Term Incentive Plan

SECTION 1 ESTABLISHMENT AND PURPOSE OF THE PLAN

The Company wishes to establish this long-term incentive plan ("**Plan**"). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

This Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options to Eligible Persons, as further described herein.

This Plan and the Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options issuable under the Plan are subject to Policy 4.4 – *Security Based Compensation* of the TSX Venture Exchange (the "**Policy**").

This Plan is a "**rolling up to 10%**" security-based compensation plan, as such term is used in the Policy, permitting outstanding Incentive Securities in a maximum aggregate amount that is equal to ten percent (10%) of the issued and outstanding Shares at the date of any Award.

SECTION 2 DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

- (a) "**Award**" means any award of RSUs, PSUs, DSUs, Options or SARs granted under this Plan or, in the case of Options, any pre-existing equity incentive plan of the Company;
- (b) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;
- (c) "**Board**" means the board of directors of the Company;
- (d) "**Blackout Period**" means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of publicly undisclosed confidential material information pertaining to the Company;
- (e) "**Cessation Date**" means the effective date on which a Participant ceases to be an Eligible Person for any reason;
- (f) "**Change of Control**" means the occurrence of any one or more of the following events:
 - (i) a reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such reorganization,

amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;

- (ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
- (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or
- (v) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- (g) "**Committee**" means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;
- (h) "**Company**" means Perseverance Metals Inc., a company incorporated under the *Business Corporations Act* (British Columbia), and any of its successors;
- (i) "**Consultant**" means a "Consultant" as defined in the Policy;
- (j) "**Deferred Share Unit**" or "**DSU**" means a right to receive on a deferred basis a payment in Shares as provided in Subsection 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (k) "**Determination Date**" means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (l) "**Director**" means a "Director" as defined in the Policy;
- (m) "**Disability**" means any disability with respect to a Participant which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Participant from:

- (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
- (ii) acting as a Director or Officer;
- (n) **"Discounted Market Price"** means "Discounted Market Price" as defined in Policy 1.1 – Interpretation of the TSX Venture Exchange;
- (o) **"DSU Payment Date"** has the meaning set out in Subsection 5.3.5;
- (p) **"Effective Date"** has the meaning set out in Section 8;
- (q) **"Election Form"** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;
- (r) **"Eligible Person"** means a Director, Officer, Employee, Management Company Employee or Consultant of the Company or a subsidiary of the Company, or an Eligible Charitable Organization;
- (s) **"Employee"** means an "Employee" as defined in the Policy;
- (t) **"Exchange"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed;
- (u) **"Exchange Hold Period"** means "Exchange Hold Period" as defined in Policy 1.1 – Interpretation of the TSX Venture Exchange;
- (v) **"Extension Period"** has the meaning set out in Section 5.4.5;
- (w) **"Fees"** means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (x) **"Grant Date"** means, for any Award, the date specified in an Award Agreement as the date on which an Award is granted;
- (y) **"Incentive Securities"** means the Options, DSUs, RSUs, PSUs and SARs issuable to any Participant under this Plan or, in the case of Options, any pre-existing equity incentive plan of the Company;
- (z) **"Insider"** means an "Insider" as defined in Policy 1.1 – Interpretation of the TSX Venture Exchange;
- (aa) **"Investor Relations Activities"** means "Investor Relations Activities" as defined in Policy 1.1 – Interpretation of the TSX Venture Exchange;
- (bb) **"Investor Relations Service Provider"** means "Investor Relations Service Provider" as defined in the Policy;
- (cc) **"Management Company Employee"** means a "Management Company Employee" as defined in the Policy;
- (dd) **"Market Price"** of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such

price shall not be less than the market price determined in accordance with the rules of such Exchange;

- (ee) **"Officer"** means an "Officer" as defined in the Policy;
- (ff) **"Option"** means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing equity incentive plan of the Company;
- (gg) **"Omnibus Plan"** means the Company's Equity Incentive Compensation Plan dated June 26, 2023, as may be amended or restated from time to time;
- (hh) **"Participant"** means any Eligible Person to whom Awards are granted;
- (ii) **"Participant's Account"** means a notional account maintained for each Participant's participation in this Plan which will show any Incentive Securities credited to a Participant from time to time;
- (jj) **"Performance Criteria"** means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the PSUs;
- (kk) **"Performance Cycle"** means the applicable performance cycle of the PSUs as may be specified by the Board in the applicable Award Agreement;
- (ll) **"Performance Share Unit" or "PSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (mm) **"Person"** means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (nn) **"Restriction Period"** means the time period between the Grant Date and the Vesting Date of an Award of RSUs specified by the Board in the applicable Award Agreement, which is subject to the requirements of this Plan with respect to vesting;
- (oo) **"Restricted Share Unit" or "RSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.1 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (pp) **"Retirement"** means retirement from active employment with the Company or a subsidiary of the Company with the consent of an Officer;
- (qq) **"Security Based Compensation"** means "Security Based Compensation" as defined in the Policy;
- (rr) **"Security Based Compensation Plans"** has the meaning set out in Subsection 4.1.1;
- (ss) **"Stock Appreciation Right" or "SAR"** means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.5 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (tt) **"SAR Amount"** has the meaning set out in Subsection 5.5.3;
- (uu) **"SAR Grant Price"** has the meaning set out in Subsection 5.5.2;

- (vv) **"Securities Act"** means the Securities Act (British Columbia), as amended from time to time;
- (ww) **"Shares"** means the common shares of the Company;
- (xx) **"Trading Day"** means any date on which the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) is open for trading;
- (yy) **"Vesting Date"** means, for any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement; and
- (zz) **"VWAP"** means the volume weighted average trading price of the Shares on the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Option, provided that where appropriate, the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) may exclude internal crosses and certain other special terms trades from the calculation.

SECTION 3 ADMINISTRATION

- 3.1 **BOARD TO ADMINISTER PLAN.** Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.
- 3.2 **DELEGATION TO COMMITTEE.** All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- 3.3 **INTERPRETATION.** All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company, subject to any required approval of the Exchange.
- 3.4 **NO LIABILITY.** No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4 SHARES AVAILABLE FOR AWARDS

- 4.1 **LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.**
 - 4.1.1 The maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under this Plan and all of the Company's other previously established or proposed Security Based Compensation plans to which these limitations apply under Exchange policies (collectively, "**Security Based Compensation Plans**"), at any point in

time, shall not exceed ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time.

- 4.1.2 The maximum aggregate number of Shares issuable to any one Consultant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.
 - 4.1.3 The maximum aggregate number of Shares issuable to any one Participant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed five percent (5%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.
 - 4.1.4 The maximum aggregate number of Shares issuable to all Insiders (as a group) at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis at such point in time.
 - 4.1.5 The maximum aggregate number of Shares issuable to all Insiders (as a group) in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.
 - 4.1.6 Eligible Persons who are Investor Relations Service Providers may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Investor Relations Service Providers in any twelve (12) month period pursuant to the exercise of Options shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.
 - 4.1.7 Eligible Persons who are Eligible Charitable Organizations may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Eligible Charitable Organizations at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed one percent (1%) of the issued and outstanding Shares on a non-diluted basis at such point in time. Notwithstanding any other provisions of this Plan, Options granted to Eligible Charitable Organizations will not be included in the other limits set out in this Section 4 or elsewhere in this Plan.
- 4.2 ACCOUNTING FOR AWARDS. The number of Shares underlying an Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting or issuing Awards under this Plan. As this Plan is a "rolling up to 10%" Security Based Compensation plan, as such term is used in the Policy, the number of Incentive Securities issuable under this Plan will replenish in an amount equal to the number of Shares issued pursuant to the exercise or vesting, as applicable, of such Incentive Securities at any point in time. Notwithstanding anything herein to the contrary, any Shares related to Awards which have been settled in cash, by Net Exercise, cancelled, surrendered, forfeited, expired or otherwise terminated without the issuance of such Shares shall be available again for granting Awards under this Plan.
- 4.3 ADJUSTMENTS FOR SHARE SPLITS AND CONSOLIDATIONS. If the number of outstanding Shares is increased or decreased as a result of a Share split or consolidation, the Board may make appropriate adjustments, in accordance with the terms of this Plan, the policies of the

Exchange, and applicable laws, to the number and price (or other basis upon which an Award is measured) of Incentive Securities credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.

- 4.4 OTHER ADJUSTMENTS. Any adjustment, other than as noted in section 4.3, to an Award granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, recapitalization, spin-off, dividend or other distribution. Any increase in the number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in section 4.3 or 4.4 is subject to compliance with the limits set out in section 4.1 and, if any increase in the number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in section 4.3 or 4.4 would result in any limit set out in section 4.1 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges, if applicable), make payment in cash to the Participant in lieu of increasing the number of Shares underlying outstanding Awards in order to properly reflect any diminution in value of the underlying Shares as a result of the event that triggers the adjustment.
- 4.5 VESTING REQUIREMENT. No Award granted or issued under this Plan, other than Options, may vest before the date that is one year following the date it is granted or issued. Notwithstanding this provision, subject to the approval of the Exchange with respect to Awards held by Investor Relations Service Providers, vesting may be accelerated by the Board in its sole discretion for Awards held by a Participant who dies or who ceases to be an Eligible Person under this Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction as permitted by section 4.6 of the Policy. All Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting sooner than three (3) months after the Options were granted and no more than another one-quarter (1/4) of the Options becoming exercisable in any following three (3) month period.
- 4.6 OMNIBUS PLAN. As of the Effective Date, Options which are outstanding under the Omnibus Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan, except to the extent that the terms of this Plan are more restrictive than the terms of the Omnibus Plan under which such Options were originally granted, in which case the Omnibus Plan shall govern, provided that such Options must comply with the Policy.
- 4.7 RESALE RESTRICTIONS. All Incentive Securities shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Incentive Securities and Shares underlying Incentive Securities that are subject to the Exchange Hold Period pursuant to Exchange Policy 1.1 must contain a legend with the Exchange Hold Period commencing on the Grant Date, and the Award Agreement shall contain any applicable resale restriction or Exchange Hold Period.
- 4.8 BONA FIDE PARTICIPANTS. In respect of Awards granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Participant is representing herein and in the applicable Award Agreement that the Participant is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or a subsidiary of the Company. The execution of an Award Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

SECTION 5. AWARDS

- 5.1 RESTRICTED SHARE UNITS

- 5.1.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs to Eligible Persons. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.
- 5.1.2 RESTRICTIONS. RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- 5.1.3 VESTING. All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.
- 5.1.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Subsection 5.1.9, provided that no acceleration of vesting of RSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such RSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.
- 5.1.5 DEATH. Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Subsection 5.1.9 hereof.
- 5.1.6 TERMINATION OF EMPLOYMENT OR SERVICE.
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant which, prior to the

Participant's termination without cause, voluntary termination, Retirement or breach of agreement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

- 5.1.7 **DISABILITY.** Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.
- 5.1.8 **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any RSUs granted to such Participant which, prior to the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.
- 5.1.9 **PAYMENT OF AWARD.** As soon as practicable after each Vesting Date of an Award of RSUs, and subject to the applicable Award Agreement, the Company shall issue from treasury to the Participant, or if Subsection 5.1.5 applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement.

5.2 PERFORMANCE SHARE UNITS

- 5.2.1 **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of PSUs to Eligible Persons. PSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of PSUs to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each PSU shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of PSUs granted pursuant to an Award, the Performance Criteria that must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable Award Agreement.
- 5.2.2 **PERFORMANCE CRITERIA.** The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without

limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the original Performance Criteria unfair or inappropriate unless a revision is made. Notices will be provided by the Company to the Exchange, if required, with respect to the foregoing.

- 5.2.3 VESTING. All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which shall be made by the Board on the Determination Date.
- 5.2.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Subsection 5.2.9 hereof, provided that no acceleration of vesting of PSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such PSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.
- 5.2.5 DEATH. Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.6 TERMINATION OF EMPLOYMENT OR SERVICE.
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.7 DISABILITY. Where a Participant becomes afflicted by a Disability, all PSUs granted

to the Participant under this Plan will continue to vest in accordance with the terms of such PSUs, provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant under this Plan that have not vested will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

- 5.2.8 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any PSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.
- 5.2.9 PAYMENT OF AWARD. Subject to the applicable Award Agreement, payment to Participants in respect of vested PSUs shall be made after the Determination Date for the applicable Award and in any case within ninety (90) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement. The Company shall issue from treasury to the Participant, or if Subsection 5.2.5 applies, to the Participant's estate, a number of Shares equal to the number of PSUs that have vested. As of the Vesting Date, the PSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such PSUs.
- 5.2.10 PERFORMANCE EVALUATION; ADJUSTMENT OF GOALS. At the time that a PSU is first issued, the Board, in the Award Agreement or in another written document, may specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; (G) foreign exchange gains and losses; and (H) other extraordinary events having a similar impact on a Participant's ability to satisfy Performance Criteria, as determined in the discretion of the Board.
- 5.2.11 ADJUSTMENT OF PERFORMANCE SHARE UNITS. The Board shall have the sole discretion to adjust the determination of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant PSU. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action

with respect to any PSU that will increase the amount payable under any such PSU. The Board shall retain the sole discretion to adjust PSUs downward or to otherwise reduce the amount payable with respect to any Award of PSUs.

5.3 DEFERRED SHARE UNITS

- 5.3.1 **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of DSUs to Eligible Persons. DSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each DSU shall, contingent upon the occurrence of the applicable vesting criteria, represent one (1) Share. The number of DSUs granted pursuant to an Award and the vesting criteria in respect of such DSUs shall be specified in the applicable Award Agreement.
- 5.3.2 **ELECTION BY DIRECTORS.** Each Director may elect to receive any part or all of his or her Fees in DSUs under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in DSUs shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Participant during a fiscal year and wishes to receive an amount of his or her Fees for the remainder of that year in DSUs must make his or her election within 60 days of becoming a Director.
- 5.3.3 **CALCULATION.** In the case of an election by a Director, the number of DSUs to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by an Director in the applicable Election Form by the Market Price on the Grant Date, or if more appropriate, another trading range that best represents the period for which the award was earned (subject to minimum pricing requirements under Exchange policies). If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional DSU, the Participant shall only be credited with a full number of DSUs (rounded down) and no payment or other adjustment will be made with respect to the fractional DSU.
- 5.3.4 **CHANGE OF CONTROL.** Unless otherwise determined by the Board, in the event of a Change of Control, all DSUs granted to a Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with Subsection 5.3.5 hereof, provided that no acceleration of vesting of DSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such DSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.
- 5.3.5 **PAYMENT OF AWARD.** After the effective date that the Participant ceases to be an Eligible Person for any reason or any earlier vesting period(s) as may be set forth in the applicable Award Agreement, each Participant shall be entitled to receive on the DSU Payment Date that number of Shares equal to the number of DSUs credited to the Participant's Account, such Shares to be issued from treasury of the Company. The aforementioned payment will occur on the date (the "**DSU Payment Date**") that is one of two (2) dates designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date as the Participant and the Company may agree, which dates shall be no earlier than then ninetieth (90) day following the year of the Cessation Date and no later than the end of the calendar year following the year of the Cessation Date, or any earlier period in which the DSUs vested, as the case may be) and if no such notice is given, then on the first anniversary of the Cessation Date or any earlier period on which the

DSUs vested, as the case may be, at the sole discretion of the Participant.

5.3.6 DEATH. Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, such Shares that would have otherwise been payable in accordance with Subsection 5.3.5 hereof to the Participant upon such Participant ceasing to be an Eligible Person.

5.4 OPTIONS

5.4.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each vested Option shall represent the right to purchase one (1) Share in accordance with its terms and the terms of this Plan. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.4.2 EXERCISE PRICE. The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. The Board shall not reprice any Options granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any extension or reduction in the exercise price of Options granted to any Participant if the Participant is an Insider at the time of the proposed reduction or extension.

5.4.3 TIME AND CONDITIONS OF EXERCISE. The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. In the case of an Option granted to an Eligible Charitable Organization, such Option must be exercised on or before the earlier of (a) ten years from the date of grant and (b) the 90th day following the date that the holder ceases to be an Eligible Charitable Organization. The Board shall also determine the vesting, performance and/or other conditions, if any, that must be satisfied before all or part of an Option may be exercised. Vesting provisions applied to Options granted to Participants who are Investor Relations Service Providers must be in compliance with Section 4.5.

5.4.4 EVIDENCE OF GRANT. All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.

5.4.5 EXERCISE. The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall, subject to Subsections 5.4.5(a) and (b), be accompanied by a cheque, bank draft or other method of cash payment as is acceptable to the Company for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice and payment. Neither the Participants nor their legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such

Participants under the terms of this Plan. In the event that the expiry date of an Option falls during a Blackout Period, the expiry date of such Option shall automatically be extended to a date which is ten (10) business days following the end of such Blackout Period (the “**Extension Period**”), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) business days following the end of the last imposed Blackout Period. Notwithstanding the foregoing methods of Option exercise, the Committee may, in its sole discretion, permit the exercise of an Option through either:

- (a) a cashless exercise (“**Cashless Exercise**”) mechanism, whereby the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm:
 - (i) agrees to loan money to a Participant to purchase the Shares underlying the Options to be exercised by the Participant;
 - (ii) then sells a sufficient number of Shares to cover the exercise price of the Options in order to repay the loan made to the Participant; and
 - (iii) receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of Shares pursuant to such exercise, or the cash proceeds from the sale of the balance of such Shares (or in such other portion of Shares and cash as the broker and Participant may otherwise agree); or
- (b) a net exercise (“**Net Exercise**”) mechanism, whereby Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Shares that is equal to the quotient obtained by dividing:
 - (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by
 - (ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits set forth in section 4.1.

- 5.4.6 CHANGE OF CONTROL. In the event of a Change of Control, each outstanding Option, to the extent that it has not otherwise become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any other applicable vesting requirement, subject to the Policy. For greater certainty, any acceleration of vesting of Options held by a Participant who is a Investor Relations Servicer Provider is subject to prior Exchange acceptance.
- 5.4.7 DEATH. Where a Participant shall die, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 180 days after the date of death of the Participant or prior to the expiration of the Option, whichever is sooner, and then only to

the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.

5.4.8 TERMINATION OF EMPLOYMENT OR SERVICE.

- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option held by such Participant shall be exercisable from the date of termination determined by the Board.
- (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.
- (c) Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, any Option held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.

- 5.4.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Option held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.

5.5 STOCK APPRECIATION RIGHTS

- 5.5.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of SARs to Eligible Persons. SARs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of SARs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. The number of SARs granted pursuant to an Award shall be specified in the applicable Award Agreement.
- 5.5.2 SAR GRANT PRICE. The exercise price of the SAR (the "**SAR Grant Price**") shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. The Board shall not reprice the SAR Grant Price of any SAR granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any reduction in the SAR Grant Price applicable to SARs granted to any Participant if the Participant is an Insider at the time of the proposed reduction.
- 5.5.3 PAYMENT.
- (a) Subject to the provisions hereof, a SAR is the right to receive a payment in Shares equal to the excess, if any, of:
- (i) the Market Price at the date such SAR is exercised; *over*
 - (ii) the SAR Grant Price,
- multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the "**SAR Amount**").
- (b) For greater clarity, the actual number of Shares to be granted to the Participant pursuant to Subsection 5.5.3(a) shall be equal to the aggregate SAR Amount divided by the Market Price at the time of exercise.
- (c) Notwithstanding the foregoing, in the sole discretion of the Board, the Award Agreement may provide that the Company may elect to satisfy the exercise of a SAR (in whole or in part) by paying to the Participant cash in an amount equal to the SAR Amount in lieu of Shares.
- 5.5.4 TERMS OF SARs. SARs shall be granted on such terms as shall be determined by the Board and set out in the Award Agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten (10) years.
- 5.5.5 EXERCISE. The exercise of any SAR will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the SAR is being exercised. If the Participant is to receive Shares, certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice. Neither the Participant nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until

the certificates for the Shares issuable pursuant to SARs under this Plan are issued to such Participant under the terms of this Plan. In the event that the expiry date of a SAR falls during a Blackout Period, the expiry date of such SAR shall automatically be extended to the Extension Period, subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such SAR within ten (10) business days following the end of the last imposed Blackout Period.

- 5.5.6 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all SAR's granted to a Participant shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with Subsection 5.5.5 hereof, provided that no acceleration of vesting of SARs upon a Change of Control can occur prior to the date that is one year from the date of grant of such SARs unless the Participant ceases to be an Eligible Person in connection with such Change of Control.
- 5.5.7 DEATH. Where a Participant shall die while holding a SAR, any SAR held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the SAR shall pass by the will of the Participant or the laws of descent and distribution for a period of 180 days after the date of death of the Participant or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of death of such Participant.
- 5.5.8 TERMINATION OF EMPLOYMENT OR SERVICE.
- (a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR held by such Participant shall be exercisable from the date of termination determined by the Board.
 - (b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.
 - (c) Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration

of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

5.5.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any SAR held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

5.6 GENERAL TERMS APPLICABLE TO AWARDS

5.6.1 FORFEITURE EVENTS. The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

5.6.2 AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER. Without limiting Subsection 5.5, Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

5.6.3 NON-TRANSFERABILITY OF AWARDS. No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferable, except where required by law or in certain estate proceedings described herein.

5.6.4 CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS. The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law;

(B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

5.6.5 SHARE CERTIFICATES. All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules, regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

5.6.6 CONFORMITY TO PLAN. In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.

SECTION 6 AMENDMENT AND TERMINATION

6.1 SHAREHOLDER APPROVAL OF PLAN. This Plan is subject to annual shareholder approval in accordance with the Policy. The initial shareholder approval requirements and related matters are set out in section 8.1 of this Plan.

6.2 AMENDMENTS AND TERMINATION OF THIS PLAN. The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of shareholders of the Company in accordance with the Policy or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:

6.2.1 amendments to fix typographical errors;

6.2.2 amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions; and

6.2.3 amendments that are necessary to comply with applicable law or the requirements of the Exchange.

If this Plan is terminated, Awards granted or issued prior to the date of termination shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.3 AMENDMENTS TO AWARDS. Subject to compliance with applicable laws and Exchange policies, the Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 NO RIGHTS TO AWARDS. No Eligible Person shall have any claim to be granted any Award

under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Eligible Persons under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient, subject to compliance with the terms of this Plan and the Policy.

7.2 WITHHOLDING. The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by:

7.2.1 electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or

7.2.2 delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

For greater certainty, the application of this Section 7.2 to any payment due or transfer made under any Award or under this Plan shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 7.2 if required pursuant to such policies.

7.3 NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS. Subject to compliance with the Policy if the Shares are listed on the TSX Venture Exchange and compliance with the applicable limitations set out Section 4.1, nothing contained in this Plan shall prevent the Company or a subsidiary of the Company from adopting or continuing in effect other security-based compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 NO RIGHT TO EMPLOYMENT. The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in any Award Agreement.

7.5 NO RIGHT AS SHAREHOLDER. Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

7.6 CURRENCY. Unless expressly stated otherwise, all dollars amounts in this Plan are in Canadian dollars.

7.7 GOVERNING LAW. This Plan and all of the rights and obligations arising here from shall be

interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

- 7.8 SEVERABILITY. If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.
- 7.9 NO TRUST OR FUND CREATED. Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- 7.10 NO FRACTIONAL SHARES. No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- 7.11 HEADINGS. Headings are given to the Sections and Subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.
- 7.12 NO REPRESENTATION OR WARRANTY. The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.
- 7.13 NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION. Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.
- 7.14 CONFLICT WITH AWARD AGREEMENT. In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.
- 7.15 COMPLIANCE WITH LAWS. The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:
- 7.15.1 obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
 - 7.15.2 completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8 EFFECTIVE DATE OF THIS PLAN AND SHAREHOLDER APPROVAL

- 8.1 **EFFECTIVE DATE AND SHAREHOLDER APPROVAL.** This Plan shall become effective upon the date (the "**Effective Date**") of approval by the Board and will remain subject to shareholder approval and Exchange approval, provided that, if the Company grants or issues Awards under this Plan that it would not otherwise be permitted to grant under its existing Omnibus Plan prior to the requisite shareholder approval for this Plan having been obtained, the Company must also obtain specific (and separate) shareholder approval for such grants or issuances. If shareholder approval for this Plan is obtained after the Effective Date, no right under any Award (other than an Option, which was or could have been granted under the Omnibus Plan) that is granted or issued under this Plan prior to such shareholder approval may vest or be exercised, as applicable, before the date of the shareholders' meeting held to approve this Plan and such grants or issuances (as applicable). The requisite shareholder approvals must be obtained in accordance with the Policy and, if the requisite shareholder approvals are not obtained, this Plan and all Awards granted hereunder (other than Options, which were or could have been granted under the Omnibus Plan), will terminate.

Approved by the Board of Directors of the Company effective July 10, 2025.

Approved by the shareholders of the Company on _____, 2025.

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

