



LOS ANDES COPPER Ltd.

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL AND SPECIAL MEETING

OF

LOS ANDES COPPER LTD.

to be held on

July 22, 2022

TABLE OF CONTENTS

GENERAL PROXY INFORMATION.....	5
Solicitation of Proxies	5
Appointment of Proxyholders	5
Revocability of Proxies	6
Exercise of Discretion.....	6
Advice to Beneficial Shareholders.....	6
SCIENTIFIC AND TECHNICAL INFORMATION	8
GENERAL.....	8
INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON.....	8
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES.....	8
ELECTION OF DIRECTORS	9
STATEMENT OF EXECUTIVE COMPENSATION.....	12
Director and Named Executive Officer Compensation, Excluding Compensation Securities.....	13
Stock Options and Other Compensation Securities.....	14
Exercise of Compensation Securities by Directors and NEOs	16
Stock Option Plans and Other Incentive Plans	16
Employment, Consulting and Management Agreements and External Management Companies	17
Pension Plan Benefits	19
Oversight and Description of Named Executive Officer and Director Compensation	19
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	20
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS.....	20
INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	20
APPOINTMENT OF AUDITOR	20
MANAGEMENT CONTRACTS	21
AUDIT COMMITTEE	21

Mandate of the Audit Committee	21
Operation, Composition, Appointments, Compensation and Meetings of the Audit Committee	21
Relevant Education and Experience	21
Audit Committee Oversight	22
Reliance on Certain Exemptions	22
Pre-Approval Policies and Procedures	22
External Auditor Service Fees (By Category)	22
CORPORATE GOVERNANCE DISCLOSURE	23
Independence of Members of the Board	23
Management Supervision by Board	23
Orientation and Continuing Education	23
Ethical Business Conduct	23
Nomination of Directors	24
Compensation	24
Other Board Committees	24
Assessments	24
PARTICULARS OF OTHER MATTERS TO BE ACTED UPON	24
Approval of New Option Plan	24
Approval of RSU Plan	28
Other Matters	31
ADDITIONAL INFORMATION	31
SCHEDULE "A" AUDIT COMMITTEE CHARTER	32
SCHEDULE "B" NEW OPTION PLAN	35
SCHEDULE "C" RSU PLAN	60



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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the 2022 Annual General and Special Meeting (the "**Meeting**") of the Shareholders of Los Andes Copper Ltd. (the "**Company**") will be held at 1700 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8 on Friday, July 22, 2022, at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended September 30, 2021 together with the report of the auditors of the Company thereon;
2. to fix the number of directors of the Company at six and to elect the directors until the next annual general meeting or until their successors are duly elected or appointed;
3. to re-appoint DeVisser Gray LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the auditors for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
4. to consider, and if thought advisable, to pass, with or without variation, an ordinary resolution approving the Company's new stock option plan, as more particularly described in the management information circular (the "**Information Circular**");
5. to consider, and if thought advisable, to pass, with or without variation, an ordinary resolution approving the Company's new restricted share unit plan, as more particularly described in the Information Circular; and
6. to transact any other business that may properly come before the Meeting and any adjournment and postponement thereof.

Accompanying this notice of meeting (the "**Notice**") are (i) the Information Circular; (ii) a form of proxy or voting instruction form; and (iii) a financial statement request form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

The board of directors of the Company has fixed May 31, 2022 as the record date for determining the Company Shareholders entitled to receive notice and vote at the Meeting.

Beneficial Shareholders (as defined in the Information Circular) who have not appointed themselves as proxyholders can attend the Meeting but will not be able to participate, vote or submit questions during the Meeting. Beneficial Shareholders who receive these materials through their broker or other

intermediary should carefully follow the instructions provided by their broker or intermediary and the instructions set out in the Information Circular under the heading “General Proxy Information”.

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in such Shareholder’s stead. If you are unable to attend the Meeting or any adjournment or postponement thereof, please read the notes (the “**Notes**”) accompanying the form of proxy enclosed herewith and then complete and return the proxy within the time set out in the Notes. The enclosed form of proxy is solicited by management but, as set out in the Notes, you may amend it if you so desire by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting. Please advise the Company of any change in your address.

DATED at Vancouver, British Columbia, on this 21st day of June, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF
LOS ANDES COPPER LTD.**

"Michael Jones"

Michael Jones
President & CEO



LOS ANDES COPPER Ltd.

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INFORMATION CIRCULAR

Dated June 21, 2022

GENERAL PROXY INFORMATION

Solicitation of Proxies

This information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies (each a "**Proxy**") by the management of Los Andes Copper Ltd. (the "**Company**") for use at the 2022 Annual General and Special Meeting (the "**Meeting**") of Shareholders of the Company (the "**Shareholders**") to be held at the time and place and for the purposes set out in the Notice of Meeting distributed with this Information Circular. No director of the Company has informed management that he or she intends to oppose any action intended to be taken by management at the Meeting.

The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company at nominal cost. The Company will pay the expenses of this solicitation. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares in the capital of the Company (the "**Shares**") held of record by such persons.

Appointment of Proxyholders

A Shareholder entitled to vote at the Meeting may by means of a Proxy appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the Shareholder on the Shareholder's behalf.

The individuals named in the accompanying form of Proxy are directors and/or officers of the Company. **A Shareholder wishing to appoint some other person (who need not be a Shareholder) to represent him, her or it at the Meeting has the right to do so, either by striking out the names of management's nominees and inserting such person's name in the blank space provided in the form of Proxy or by completing another form of Proxy.** Such a Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as

proxy and instruct him or her on how the Shareholder's Shares are to be voted. In any case, the form of Proxy must be dated and executed by the Shareholder or his/her attorney authorized in writing, or if the Shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly authorized.

A Proxy will not be valid for the Meeting or any adjournment or postponement thereof unless the completed form of Proxy is delivered, by mail, by hand, by internet voting or by fax, to Odyssey Trust Company ("Odyssey"), 350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2 Fax number: (within North America) 1-800-517-4553 (outside North America) 1-800-517-4553, not later than 10:00 a.m. (Pacific Time) on July 20, 2022 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting or the adjournment or postponement thereof at which the Proxy is to be used. A Shareholder may also follow the instructions on the form of proxy to vote by telephone or internet.

Revocability of Proxies

In addition to revocation in any other manner permitted by law, a Shareholder who has given a Proxy may revoke it by either executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or the Shareholder's authorized attorney in writing; or, if the Shareholder is a company, under its corporate seal by an officer or attorney duly authorized; and by depositing the Proxy bearing a later date with Odyssey, 350 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a Proxy may be revoked by the Shareholder voting his or her Shares at the Meeting. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

Exercise of Discretion

On a poll, the nominees named in the accompanying form of Proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the Shareholder on any ballot that may be called for. **If a Shareholder specifies a choice with respect to any matter to be acted upon, such Shareholder's Shares will be voted accordingly. The Proxy will confer discretionary authority on the nominees named therein with respect to each matter or group of matters identified therein for which a choice is not specified other than the appointment of the auditor and the election of directors, any amendment to or variation of any matter identified therein and any other matter that properly comes before the Meeting.**

In respect of a matter for which a choice is not specified or where both choices have been specified in the Proxy, the nominees named in the accompanying form of Proxy will vote Shares represented by the Proxy at their own discretion for the approval of such matter.

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting each nominee in the accompanying form of Proxy intends to vote thereon in accordance with the nominee's best judgment.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders of the

Company, as a substantial number of Shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular, collectively, as "**Beneficial Shareholders**") should note that only Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares (the "**Registered Shareholders**") can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited; and which acts as nominee for many Canadian brokerage firms). Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically applies a special sticker to proxy forms, mails those forms to the Beneficial Shareholders and requests the Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Shares directly at the Meeting. That proxy must be returned to Broadridge well in advance of the Meeting in order to have the Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting. Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal Proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his or her Shares.

This Information Circular and accompanying materials are being sent to both Registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBOs**"). Subject to the provision of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If

you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy related materials directly to its NOBOs. By choosing to send these materials to you directly, the Company (and not the intermediary holding Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form ("**VIF**") from Odyssey. Please complete and return the VIF to Odyssey in the envelope provided or by facsimile. Odyssey will tabulate the results of the VIF's received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs they receive.

The Company is not sending its proxy-related materials to the Registered Shareholders or Beneficial Shareholders using "notice and access", as defined in NI 54-101.

The Company does not intend to pay for delivery of its proxy-related materials to its OBOs, and as a result, its OBOs will not receive such materials unless their intermediary assumes the cost of delivery.

SCIENTIFIC AND TECHNICAL INFORMATION

Antony Amberg, CGeol FGS, the Company's former President, is a Qualified Person under National Instrument 43-101 and has reviewed and approved the scientific and technical information contained herein (being the Notice of Meeting and the Information Circular).

GENERAL

Unless otherwise specified, all dollar amounts or references to "\$" herein are expressed in Canadian dollars. The information presented in this Information Circular is current as of June 21, 2022, except as otherwise noted.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, or any proposed nominee for election as a director of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, and the ratification and approval of the Company's New Option Plan and RSU Plan (as defined herein), as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has set the close of business on May 31, 2022 as the record date (the "**Record Date**") for determining persons entitled to receive notice of the Meeting. Only Registered Shareholders, and those Beneficial Shareholders entitled to receive notice pursuant to NI 54-101 through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he, she or it owns such Shares, requests at least 10 calendar days prior to the Meeting that the

transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such Shares at the Meeting.

The Company is authorized to issue an unlimited number of Shares. As of the Record Date and date hereof, 27,190,110 Shares are issued and outstanding, each carrying the right to one vote. The Company has no other class of voting securities and no group of shareholders has the right to elect a specified number of directors. There are no cumulative or similar voting rights attached to the Shares.

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, these nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

Every Shareholder present at the Meeting or represented by a proxy and every person who is a representative of one or more corporate Shareholders, will have one vote for each Share registered in that Shareholder's name on the list of Shareholders as at the Record Date, which is available for inspection during normal business hours at Odyssey Trust Company.

To the knowledge of the directors and executive officers of the Company, only the following Shareholder beneficially owns Shares carrying 10% or more of the voting rights attached to any class of voting securities of the Company:

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Turnbrook Mining Limited ⁽¹⁾	14,373,614	52.86

Notes:

- (1) Eduardo Covarrubias, Francisco Covarrubias and Paul Miquel, all of whom are directors of the Company, are also directors of Turnbrook Mining Limited ("**Turnbrook Mining**"). Two private companies of which Eduardo Covarrubias and Francisco Covarrubias are minority Shareholders collectively hold approximately 65% of the shares of Turnbrook Mining. Paul Miquel is a shareholder of a private company which is another minority shareholder of Turnbrook Mining.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors in office are duly elected or appointed. The term of office of each director expires at the Meeting.

The Company's articles include advance notice provisions for the nomination of directors (the "**Advance Notice Provisions**"). The purpose of the Advance Notice Provisions is to provide Shareholders, directors and management of the Company with direction on the procedure for Shareholder nomination of directors. As the first public announcement of the Meeting was filed on the Company's SEDAR profile on June 13, 2022 (the "**Notice Date**") and the date of the Meeting is less than 50 days after the Notice Date, the deadline for Shareholders to submit nominations for election to the Board at the Meeting is no later than the close of business on the 10th day following the Notice Date, being June 23, 2022.

In the case of this Meeting, a Shareholder would need to undertake the following in order to properly nominate one or more individuals for election as a director at the Meeting:

1. provide to the Company on or before the close of business on June 23, 2022:
 - a. A notice setting out for each nominee,
 - i. the name, age, business address and residential address of the person;
 - ii. the present principal occupation, business or employment of the person within the preceding 5 years, as well as the name and principal business of any company in which such employment is carried on;
 - iii. the citizenship of such person;
 - iv. the class or series and number of Shares which are controlled or which are owned beneficially or of record by the person as of the record date for the Meeting and as of the date of such notice;
 - v. confirmation that the person meets the qualifications of directors set out in the *Business Corporations Act* (British Columbia); and
 - vi. any other information relating to that person that would be required in a dissident proxy circular.
2. a notice setting out any information about the nominating Shareholder equivalent to that required in a dissident proxy circular.

The chairman of the Meeting has the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the Company's articles and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination is disregarded.

Shareholder approval will be sought to fix the number of directors of the Company at six.

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

The following table sets out the names of management nominees for election as a director (a "**proposed director**"), the province or state, as applicable, and country of residence, their principal occupations, the date each first became a director of the Company, and the number of Shares beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof. The table also sets out the members each committee of the board of directors (the "**Board**"), being the Audit Committee and the Environmental, Social and Governance Committee (the "**ESG Committee**"). **Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of each of the following management**

nominees as directors of the Company.

Name, Province or State and Country of residence and position	Principal Occupation or Employment During Past Five Years	Director Since	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly⁽¹⁾
Eduardo Covarrubias Asuncion, Paraguay Director	Entrepreneur	December 21, 2010	14,373,614 ⁽²⁾
Francis O'Kelly⁽³⁾⁽⁴⁾ Santiago, Chile Director	Self Employed Consultant	May 9, 2007	6,970
Francisco Covarrubias⁽⁴⁾ Santiago, Chile Director	Entrepreneur, Independent Consultant	September 9, 2011	14,373,614 ⁽²⁾ 6,970
Paul Miquel⁽⁴⁾ Santiago, Chile Director	Country Head, Chile, Peru and Colombia - Société Généralé	May 3, 2013	14,373,614 ⁽⁶⁾ 94,257 ⁽⁷⁾
Corinne Boone⁽⁵⁾ Ontario, Canada Director	CEO of Climate and Sustainable Innovation and Board Chair of the Canadian Energy Research Institute	May 10, 2021	Nil
Warren Gilman Hong Kong, China Director	Chairman and CEO of Queen's Road Capital Investment Ltd.	August 4, 2021	45,300

Notes:

- (1) The information as to the number of shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Shares held by Turnbrook Mining, of which Messrs. Covarrubias are each directors. Messrs. Covarrubias are also minority shareholders of two private companies which collectively hold approximately 65% of the shares of Turnbrook Mining.
- (3) Chair of the Audit Committee.
- (4) Member of the Audit Committee.
- (5) Chair of the ESG Committee
- (6) Shares held by Turnbrook Mining, of which Mr. Miquel is a director. Mr. Miquel is a shareholder of a private company which holds a minority interest in the shares of Turnbrook Mining.
- (7) 87,969 of these Shares are owned indirectly.

To the knowledge of the Company, none of the proposed directors of the Company (or any of their personal holding companies):

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - (i) was subject to (A) a cease trade order, (B) an order similar to a cease trade order or (C) 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 while that the proposed director was

acting in the capacity as director, chief executive officer or chief financial officer; or

- (ii) was the subject of (A) a cease trade order, (B) an order similar to a cease trade order or (C) 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, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is as at the date of this Information Circular or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; 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, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of the proposed director.

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

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

STATEMENT OF EXECUTIVE COMPENSATION

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

- (a) each individual who, during any part of the Company’s financial year ended September 30, 2021, served as chief executive officer (“**CEO**”) of the Company, including an individual performing functions similar to a CEO;
- (b) each individual who, during any part of the Company’s financial year ended September 30, 2021, served as chief financial officer (“**CFO**”) of the Company, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officers of the Company and its subsidiaries, other than the individuals identified in paragraphs (a) and (b), as at September 30, 2021 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – *Statement of Executive*

Compensation – Venture Issuers (“Form 51-102F6V”), for the financial year ended September 30, 2021; and

- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at September 30, 2021.

On the basis of the above definition of “NEO”, the Company had three Named Executive Officers for the year ended September 30, 2021: Antony Amberg, the Company’s former President and CEO; Harry Nijjar, the Company’s CFO; and Eduardo Covarrubias, director of the Company and the Company’s new Chairman, as the former Chairman, Fernando Porcile, retired on March 25, 2022. As required by Form 51- 102F6V, the Summary Compensation table below provides information for the two most recently completed financial years ended September 30, 2021 and September 30, 2020 regarding compensation paid to or earned by each of the Named Executive Officers.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table details all compensation paid to the Corporation’s Named Executive Officers and directors for the fiscal years ended September 30, 2021 and September 30, 2020.

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Commit tee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Antony Amberg Former President and CEO ⁽²⁾	2021	227,516 ⁽³⁾	Nil	Nil	Nil	Nil	227,516
	2020	242,099 ⁽³⁾	Nil	Nil	Nil	Nil	242,099
Harry Nijjar CFO ⁽⁴⁾	2021	44,874 ⁽⁵⁾	Nil	Nil	Nil	Nil	44,874
	2020	28,400 ⁽⁴⁾	Nil	Nil	Nil	Nil	28,400
Eduardo Covarrubias Director and Chairman	2021	228,356	Nil	Nil	Nil	Nil	228,356
	2020	241,564 ⁽⁶⁾	Nil	Nil	Nil	Nil	241,564
Fernando Porcile Former Chairman and Director ⁽⁷⁾	2021	151,609	Nil	Nil	Nil	Nil	151,609
	2020	161,707	Nil	Nil	Nil	Nil	161,707
Francis O’Kelly Director	2021	Nil	Nil	15,583	Nil	Nil	15,583
	2020	3,302 ⁽⁸⁾	Nil	5,583	Nil	Nil	8,885
Francisco Covarrubias Director	2021	Nil	Nil	6,500	Nil	Nil	6,500
	2020	Nil	Nil	6,000	Nil	Nil	6,000
Paul Miquel Director	2021	Nil	Nil	6,500	Nil	Nil	6,500
	2020	Nil	Nil	5,500	Nil	Nil	5,500
Corinne Boone Director	2021	Nil	Nil	12,033	Nil	Nil	12,033
	2020	Nil	Nil	5,500	Nil	Nil	5,500

Warren Gilman Director	2021 2020	3,898 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	3,898 Nil
Michael Jones President and CEO	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Financial years ended September 30.
- (2) Mr. Antony Amberg resigned as President and CEO of the Company on October 27, 2021 and has remained as the Company's Chief Geologist. Mr. Michael Jones was appointed the new President and CEO of the Company on October 27, 2021.
- (3) The Company's subsidiary, Compañía Minera Vizcachitas Holding, paid salaries of \$113,708 (2020 - \$121,130) to Mr. Amberg from October 1, 2020 to September 30, 2021 and \$113,808 (2020 - \$120,969) in fees for consulting services provided to the Company by Sociedad Cartografica Limitada, a company controlled by Mr. Amberg.
- (4) Mr. Nijjar was appointed as CFO on February 1, 2020.
- (5) This amount is comprised of fees for consulting services provided to the Company by Malaspina Consultants Inc., a company of which Mr. Nijjar is a managing director.
- (6) This amount is comprised of fees for consulting services provided to the Company by Kasheema International Ltd., of which Mr. Covarrubias is the principal.
- (7) Mr. Porcile was appointed a director and Chairman of the Company on May 21, 2019. Mr. Porcile retired as a director and Chairman of the Company on March 25, 2022.
- (8) This amount is comprised of fees for consulting services provided to the Company by Mineral Consulting Services Ltd., a company wholly-owned by Mr. O'Kelly.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company for services provided or to be provided, directly or indirectly, to the Company in the most recently completed financial year.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾⁽²⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
Antony Amberg Former President and CEO ⁽³⁾	Stock options	10,000 Options ⁽⁴⁾	September 24, 2020	\$5.00	\$4.00	\$4.45	September 24, 2025
Harry Nijjar CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Eduardo Covarrubias Director and Chairman	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Fernando Porcile Former Chairman and Director ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Francis O'Kelly Director	Stock options	2,500 Options ⁽⁴⁾	September 24, 2020	\$5.00	\$4.00	\$4.45	September 24, 2025
	DSU	1,325 DSU	June 1, 2021	N/A	\$7.41	\$4.45	N/A
	DSU	592 DSU	September 1, 2021	N/A	\$7.01	\$4.45	N/A
Francisco Covarrubias Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Paul Miquel Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Corinne Boone Director	DSU	592 DSU	September 1, 2021	N/A	\$7.01	\$4.45	N/A
Warren Gilman Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Michael Jones President and CEO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
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Notes:

- (1) Each outstanding stock option of the Company entitles the holder thereof to acquire, upon exercise, one Share.
- (2) There has been no compensation security that has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year, including the original and modified terms, the effective date, the reason for the modification, and the name of the holder.
- (3) As at September 30, 2021, Karlsson Corporation, a company controlled by Mr. Amberg held 57,500 stock options of the Company entitling it to acquire, upon exercise 57,500 Shares. As of September 30, 2021, 57,500 stock options held by Karlsson Corporation have vested.
- (4) These options vest on the date of grant.
- (5) As at September 30, 2021, Mr. Porcile held 30,000 stock options, all of which were vested. Mr. Porcile retired as a director and Chairman of the Company on March 25, 2022.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by the Company's Named Executive Officers or directors during the financial year ended September 30, 2021.

Stock Option Plans and Other Incentive Plans

Existing Option Plan

The Company previously established a stock option plan which was first adopted by the Board on March 30, 2007 and subsequently amended by the Board on January 2, 2012 and December 3, 2013 (as amended, the "**Existing Option Plan**"), which is a "rolling" stock option plan pursuant to which a maximum of 10% of the issued and outstanding Shares are reserved for issuance upon the exercise of incentive stock options ("**Options**"). The following overview of the Existing Option Plan is qualified in its entirety by the detailed terms of the plan, a copy of which is available on SEDAR at www.sedar.com.

The purpose of the Existing Option Plan is to allow the Company to grant Options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries (each, an "**Eligible Optionee**") as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such Options is intended to align the interests of such persons with that of the Shareholders. Options are exercisable over periods of up to five years as determined by the Board and are required to have an exercise price no less than the greater of \$0.10 and the closing market price of the Shares prevailing on the day preceding the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX Venture Exchange (the "**Exchange**").

The Existing Option Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion. The Existing Option Plan provides that if a change of control, as defined therein, occurs, all Options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

In addition, the Existing Option Plan provides as follows:

- (a) the number of Shares which may be issued to any one individual pursuant to the exercise of options may not exceed 5% of the issued Shares on a yearly basis;

- (b) the number of Shares which may be issued to any one consultant pursuant to the exercise of options may not exceed 2% of the issued Shares on a yearly basis;
- (c) the number of Shares which may be issued, in the aggregate, to a person conducting investor relations activities may not exceed 2% of the issued Shares on a yearly basis; and
- (d) if an optionee ceases to be an Eligible Optionee, any options held by such Optionee shall expire no later than 90 days from the date such optionee ceases to be an Eligible Optionee (or 30 days if the optionee is engaged in investor relations activities).

The Existing Option Plan was most recently ratified and approved by the Company's Shareholders at the Company's last annual general and special meeting held on September 8, 2020.

Existing Deferred Share Unit Plan

On May 27, 2021, the Company adopted a deferred share unit ("**DSU**") plan (the "**Existing DSU Plan**") as an alternative form of compensation for employees, officers, consultants and directors of the Company. Each DSU is comprised of one notional common share that entitles the participant, on termination of services, to receive, at the discretion of the Company, Shares up to the number of DSUs held or the cash equivalent. In the event the Company decides to settle all or a portion of the DSUs outstanding in cash, the total DSUs owing will be multiplied by the fair market value of one common share of the Company. The fair market value will be determined as the VWAP of the Shares on the TSXV on the valuation date. The maximum number of Shares that are issuable under the DSU Plan is 500,000.

New Option Plan

On November 24, 2021, the Exchange updated its Policy 4.4 – Security Based Compensation of the TSXV Corporate Financial Manual ("**Policy 4.4**") with respect to the treatment of stock options and other securities based compensation for Exchange listed issuers. On June 21, 2022, the Board approved and adopted a new rolling 10% stock option plan (the "**New Option Plan**") that complies with the updated Policy 4.4. On June 14, 2022, the Exchange conditionally approved the New Option Plan, subject to the Shareholders' approval at the Meeting. The New Option Plan, if approved by the Shareholders at the Meeting, will replace the Company's Existing Option Plan. Options granted under the Existing Option Plan will continue to be governed by the Existing Option Plan. A copy of the New Option Plan is attached hereto as Schedule "B". For a summary of the New Option Plan, see "Particulars of Other Matters to Be Acted Upon – Approval of New Option Plan".

RSU Plan

On June 21, 2022, the Board approved and adopted a new restricted share unit plan (the "**RSU Plan**") that complies with the updated Policy 4.4. On June 14, 2022, the Exchange conditionally approved the RSU Plan, subject to the Shareholders' approval at the Meeting. A copy of the RSU Plan is attached hereto as Schedule "C". For a summary of the New Option Plan, see "Particulars of Other Matters to Be Acted Upon – Approval of RSU Plan".

Employment, Consulting and Management Agreements and External Management Companies

All amounts described in this section were originally paid in US dollars and have been converted to Canadian dollars based on the exchange rate as of September 29, 2021 (1 USD: 1.2741 CAD).

The Company's subsidiary, Vizcachitas Ltd. ("**VL**"), and Kasheema International Ltd. ("Kasheema"), a company in respect of which Mr. Eduardo Covarrubias ("**Covarrubias**") is the principal, entered into a contract as of January 17, 2011 (the "**Kasheema Contract**"), pursuant to which Kasheema agreed to provide consulting services primarily related to long-term strategic planning and business development. The Kasheema Contract provided for a fee of US\$10,000 (C\$12,741) plus any applicable taxes per month. The Kasheema Contract was amended as of July 20, 2012 to provide for a fee of US\$15,000 (C\$19,111.50) plus any applicable taxes per month, and contains termination provisions which may be summarized as follows:

- (a) VL or Kasheema may terminate the Kasheema Contract by giving notice to the other party at least two months prior to termination; and
- (b) VL may terminate the Kasheema Contract immediately upon the death of Covarrubias or for cause, upon which Kasheema is entitled to reimbursement for expenses properly incurred prior to the date of termination. "Cause" is defined as existing if:
 - (i) Kasheema commits a breach of any of the material provisions contained in the Kasheema Contract;
 - (ii) Kasheema is guilty of any misconduct or neglect in the discharge of its duties pursuant to the Kasheema Contract;
 - (iii) Kasheema becomes bankrupt or makes any arrangements or assignments with its creditors; or
 - (iv) Kasheema or Covarrubias is convicted of any criminal offence or misdemeanor involving moral turpitude.

Pursuant to a contract made as of the 1st day of January 2017 (the "**SCL Contract**") between the Company and Sociedad Cartografica Limitada ("**SCL**"), a company in respect of which Mr. Antony Amberg is principal, the Company agreed to pay to SCL a fee of US\$7,500 (C\$9,555.75) per month plus applicable taxes, in exchange for consulting services including preparation of presentations related to the Company's exploration assets and other matters as requested by the Board. The SCL Contract contains termination provisions, which may be summarized as follows:

- (a) Either party may terminate the SCL Contract by giving notice to the other party at sixty days prior to the termination date.
- (b) The Company may terminate the SCL Contract immediately upon the death of Mr. Amberg or for cause, provided that if terminated for death or for cause, Mr. Amberg will be entitled to the reimbursement for expenses properly incurred prior to the date of termination. Cause is defined as existing if:
 - (i) SCL commits a breach of any of the material provisions contained in the SCL Contract;
 - (ii) SCL is guilty of any misconduct or neglect in the discharge of its duties pursuant to the SCL Contract;
 - (iii) SCL becomes bankrupt or makes any arrangements or assignments with its creditors; or

- (iv) SCL or Mr. Amberg is convicted of any criminal offence or misdemeanor involving moral turpitude.

The SCL Contract superseded a contract between the Company and Karlsson Corporation, a company in respect of which Mr. Antony Amberg was principal, with essentially the same terms and conditions as the SCL Contract.

Pursuant to a contract made as of the 21st day of May, 2019 (the “**Porcile Contract**”) between the Company and Fernando Porcile, the Company agreed to pay Mr. Porcile US\$10,000 (C\$12,741) per month as well as issue a total of 30,000 Options to Mr. Porcile for certain independent consulting services to be provided on a part-time basis. The services include providing oversight and guidance on key decisions related to the Company’s Vizcachitas Project in Chile (the “**Vizcachitas Project**”) and assistance in the development and execution of operating plans for the Company. The Options have an exercise price of \$5.00 per Option, expire on May 31, 2024 and vest as follows: 10,000 Options on the grant date, 10,000 Options on May 31, 2020 and 10,000 Options on May 31, 2021.

- (a) Either party may terminate the Porcile Contract by giving one month’s written notice to the other party.
- (b) The Company may terminate the Porcile Contract without notice if Mr. Porcile:
 - (i) is guilty of dishonest, corruption, bribery or other criminal offences;
 - (ii) is guilty of conduct detrimental to the business of the Company;
 - (iii) materially fails to carry out the services and duties to be performed by him pursuant to the provisions of the Porcile Contract; or
 - (iv) is unable to perform substantially all of his duties for a period of six months or more or for periods collectively exceeding six months in any twelve month period.

The Company shall have no liability to Mr. Porcile for fees, or any form of compensation for termination, other than for fees that are owing (but unpaid) at the time of termination for services provided by Mr. Porcile during the term.

Pension Plan Benefits

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

Oversight and Description of Named Executive Officer and Director Compensation

The compensation for the Company’s Named Executive Officers and for its directors are determined by the Board as a whole. The Board evaluates the consulting fees paid to its Named Executive Officers on a regular basis, and, in such evaluation, compares the fees charged the Named Executive Officers against the rates of other consultants that provide similar services. A peer group is not used to determine compensation.

Other than the compensation disclosed above under “Director and Named Executive Officer Compensation, Excluding Compensation Securities” and “Employment, Consulting and Management Agreements and External Management Companies”, no additional compensation was paid to the Named Executive Officers during the year ended September 30, 2021. None of such compensation

is tied to any performance criteria or goals.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table summarizes relevant information as of September 30, 2021 with respect to compensation plans under which equity securities are authorized for issuance:

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	162,009	\$5.03	3,054,632
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
TOTAL	159,500	\$5.00	2,557,141

Note:

- (1) See "Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans" for a description of the material features of the Existing Option Plan and Existing DSU Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the financial year ended September 30, 2021 and as at the date hereof, no director, executive officer, proposed nominee for director or employee of the Company or any associate or affiliate of any of them has been indebted to the Company either pursuant to an employee stock purchase plan or otherwise.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than disclosed below and herein, none of the directors or executive officers of the Company, nor any proposed nominee for election as a director of the Company, nor any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all of the outstanding Shares, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company's most recently completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company.

APPOINTMENT OF AUDITOR

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 appointment of DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Company to hold office for the ensuing year at a remuneration to be fixed by the directors.**

MANAGEMENT CONTRACTS

Except as set out above in “Statement on Executive Compensation - Employment, Consulting and Management Agreements and External Management Companies”, there are no management functions of the Company or any of its subsidiaries which are, to any substantial degree, performed other than by the directors or executive officers of the Company.

AUDIT COMMITTEE

Mandate of the Audit Committee

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Audit Committee is also responsible for monitoring compliance with applicable laws and regulations and the systems of internal controls. The Audit Committee has the authority to retain special legal, accounting or other consultants to advise the Audit Committee. The Audit Committee may request any director, officer or employee of the Company, or the Company's outside counsel or independent auditor, to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Board has adopted an Audit Committee charter (the “**Charter**”), a full copy of which is attached to this Information Circular as Schedule “A”.

Operation, Composition, Appointments, Compensation and Meetings of the Audit Committee

The Audit Committee reports to the Board. The full Board is kept informed of the Audit Committee's activities by a report following each Audit Committee meeting.

The Company's Audit Committee is presently comprised of Francis O’Kelly (Chair), Francisco Covarrubias and Paul Miquel. Based upon the test for independence set forth in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees (“**NI 52-110**”), Messrs. Miquel and O’Kelly are independent directors, while Mr. Covarrubias is a non-independent director. Please see the discussion relating to director independence in “Corporate Governance Disclosure – Independence of Members of Board”, below. Messrs. O’Kelly, Miquel and Covarrubias are “financially literate”, meaning that they are able to read and understand the Company's financial statements and to understand the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The Audit Committee fulfills the requirements of Part 6 of NI 52-110 as it consists of not less than three Directors as determined by the Board, every member is a director of the Company and the majority of the members are not executive officers, employees or control persons of the Company or an affiliate of the Company.

Relevant Education and Experience

Mr. Francis O’Kelly is an independent financial and technical consultant based in Santiago Chile. As a graduate of the Royal School of Mines in London, United Kingdom, Mr. O’Kelly has worked in metalliferous mining throughout the Americas, employed by multinational industry leading companies. Mr. O’Kelly has also served as officer, partner, and director to notable financial institutions and mining companies.

Mr. Francisco Covarrubias has an MBA from the Melbourne Business School, Australia, and has

extensive experience in the financial industry.

Mr. Paul Miquel has substantial experience structuring, negotiating and distributing major transactions in the energy and mining sectors for multinational and local groups and governments in South America.

Members of the Audit Committee are appointed at a meeting of the Board typically held immediately after the Company's annual shareholders' meeting; provided that any member may be removed or replaced at any time by the Board and shall in any event cease to be a member of the Audit Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Audit Committee, it may be filled by the Board.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Because the Company is a "venture issuer" as defined in NI 52-110, the Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee, in its Charter, has adopted specific policies and procedures regarding independent auditors. The Audit Committee is responsible for approving the fees and other significant compensation to be paid to the independent auditors, and pre-approving any non-audit services that the auditor may provide.

External Auditor Service Fees (By Category)

The Audit Committee, in its Charter, has adopted specific policies and procedures for the engagement of non-audit services.

DeVisser Gray LLP, Chartered Professional Accountants, were the external auditors of the Company responsible for the Company's financial statements for the financial year ended September 30, 2021. The following table charts the external auditors' fees for the two financial years ending September 30 of each 2021 and 2020 by category:

Financial Year Ended	Audit Fees⁽¹⁾	Audit-related Fees⁽²⁾	Tax Fees⁽³⁾	All other Fees⁽⁴⁾
September 30, 2021	\$35,000	Nil	\$3,750	Nil
September 30, 2020	\$33,000	Nil	\$3,375	Nil

Notes:

(1) Aggregate audit fees billed by the external auditor in each of the last two financial years.

- (2) Aggregate audit-related fees billed in each of the last two financial years billed for assurances and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under audit fees.
- (3) Aggregate fees billed in each of the last two financial years for professional services rendered for tax compliance, tax advice and tax planning.
- (4) Aggregate fees billed in each of the last two financial years for products and services provided other than the services reported under the three previous columns.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - Disclosure of Corporate Governance Practices requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. The Company's approach to corporate governance is set forth below.

Independence of Members of the Board

The Board currently consists of six directors, four of whom are independent based upon the tests for independence set forth in section 1.4 of NI 52-110. Paul Miquel, Corinne Boone, Francis O'Kelly and Warren Gilman are independent. Eduardo Covarrubias and Francisco Covarrubias are not independent because they are each a director of Turnbrook Mining, the Company's majority shareholder, and they are minority shareholders of entities that have a majority interest in Turnbrook Mining. Eduardo Covarrubias is also not independent because he has directly or indirectly through affiliated entities received in excess of \$75,000 in compensation from the Company within the last three years.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team. The Board considers that management is effectively supervised by the directors on an informal basis as the non-management directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management.

Orientation and Continuing Education

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

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company; and
- (c) access to management.

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

The Board views the encouragement and promotion of a culture of ethical business conduct as good corporate governance and as an integral component to the success of the Company and to being

able to meet its responsibilities to shareholders. The Board and management work together to ensure that the Company's operations are carried out in an open and ethical manner.

Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mining industry are consulted for possible candidates.

Compensation

The compensation for the Company's Chief Executive Officer and for its directors are determined by the Board as a whole. The Board evaluates the consulting fees paid to its Chief Executive Officer and directors on a regular basis, and, in such evaluation, compares the fees charged the Chief Executive Officer and its directors against the fees charged by chief executive officers and directors of other mineral exploration companies. A peer group is not used to determine compensation.

Other Board Committees

The Board currently has no committees other than the Audit Committee.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of New Option Plan

On November 24, 2021, the Exchange updated its Policy 4.4 with respect to the treatment of stock options and other securities based compensation for Exchange listed issuers. On June 21, 2022, the Board approved the New Option Plan that complies with the updated Policy 4.4. On June 14, 2022, the Exchange conditionally approved the New Option Plan, subject to the Shareholders' approval at the Meeting. The New Option Plan, if approved by the Shareholders at the Meeting, will replace the Company's Existing Option Plan in its entirety. All outstanding options granted under the Existing Option Plan will continue to be covered by the terms of and conditions of the instrument evidencing such options and the Existing Option Plan; whereas each option granted on or after June 21, 2022 will be governed solely by the terms and conditions of the instrument evidencing such option and the New Option Plan if approved by the Shareholders at the Meeting.

At the Meeting, the Company will be asking the Shareholders to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution set forth below approving the adoption of the New Option Plan.

The purpose of the New Option Plan is to provide the Company, and each subsidiary of the Company, with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries through equity participation by granting from time to time to such directors, officers, employees and consultants options to purchase Shares for their contributions toward the long term goals and success of the Company and to enable and encourage such directors, officers, employees and consultants to acquire Shares as long term investments and proprietary interests in the Company.

A summary of the material terms of the New Option Plan is provided below. Please refer to Schedule "B" in this Information Circular for full text of the New Option Plan. This summary is qualified in its entirety by the full text of the New Option Plan. Unless otherwise specified, all capitalized terms used in the following summary have the same meanings as those given to such terms in the New Option Plan.

Particulars of New Option Plan

Administration: The New Option Plan will be administered by the Plan Administrator which is the Board or if so delegated by the Board to the Committee pursuant to the New Option Plan, the Committee.

Number of Shares Reserved: The aggregate number of Shares that may be reserved for issuance under the Options granted under the New Option Plan, at any time, will not exceed ten (10%) percent of the Company's issued and outstanding Shares on the Date of Grant. To the extent any Options (or portion(s) thereof) under the New Option Plan terminate or are cancelled for any reason prior to exercise in full, or are surrendered to the Company by the Participant, except surrenders relating to the payment of the purchase or exercise price of any such Option or the satisfaction of the tax withholding obligations related to any such Option, any Shares subject to such Options (or portion(s) thereof) will be added back to the number of Shares reserved for issuance under the New Option Plan and will again become available for issuance pursuant to the exercise of Options granted under the New Option Plan.

Eligible Participants: All Directors, Officers, Employees and Consultants are eligible to participate in the New Option Plan. The extent to which any Director, Officer, Employee or Consultant is entitled to receive a grant of an Option pursuant to the New Option Plan will be determined in the discretion of the Plan Administrator. The Company and the Participant will be responsible for ensuring and confirming that the Participant is a bona fide Director, Officer, Employee or Consultant, as the case may be.

Exercise Price: The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price will in all cases be not less than the Market Price on the Date of Grant, provided that, for so long as the Shares are listed and posted for trading on the Exchange, the Exercise Price will in all cases be not less than the Discounted Market Price on the Date of Grant.

Cashless and Net Exercises: Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular award agreement, an exercise notice must be accompanied by payment of the exercise price. To the extent permitted by and otherwise subject to the rules and policies of the Exchange, a participant may, in lieu of exercising an Option pursuant to an exercise notice, pay the Exercise Price through a Cashless Exercise process or a Net Exercise process.

Cashless Exercise: A Participant may, conditional upon the prior written consent of the Company, exercise Options in whole or in part by notice in writing delivered by the Participant to the Company electing, in lieu of making a cash payment of the applicable Exercise Price, to pay the Exercise Price pursuant to a cashless exercise whereby the Company has an arrangement with a specified brokerage firm and permits such brokerage firm to (i) loan money to the Participant to purchase the Shares underlying the Options, (ii) sell a sufficient number of the Shares purchased on exercise of the Options to repay the loan made to the Participant, and (iii) deliver the balance of the Shares to the Participant.

Net Exercise: A Participant may, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the Company (a "**Net Exercise**") in consideration for an amount from the Company equal to (i) the Market Price of the Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate Exercise Price of the Option (or portion thereof) surrendered relating to such Shares, (the "**In-the-Money Amount**") by written notice to the Company indicating the number of Options such Participant wishes to exercise using the Net Exercise, and such other information that the Company may require. Subject to the provisions of the New Option Plan, the Company will satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Shares (rounded down to the nearest whole number) having an aggregate fair market value (based on the Market Price on the date of exercise) equal to the In-the-Money Amount. Any Options surrendered in connection with a Net Exercise will not be added back to the number of Shares reserved for issuance under this Plan.

Maximum Term of Options: Subject to any accelerated vesting or termination as set forth in the New Option Plan, each Option expires on its Expiry Date, which may not be later than the close of business ten (10) years from the Date of Grant.

Vesting of Options: The Plan Administrator will have the authority to determine the vesting terms applicable to grants of Options; however, Options issued to persons retained to provide Investor Relations Activities will be subject to a vesting schedule whereby no more than 25% of the Options granted may be vested in any three month period.

Maximum Options per Person: The number of Shares reserved for issuance to any one Participant pursuant to Options granted under the New Option Plan or awards under any other security based compensation plan during any 12-month period may not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding Shares at the time of grant. The number of Shares reserved for issuance to Option holders who are engaged in Investor Relations Activities is limited to an aggregate of 2% of the issued and outstanding Shares at the time of grant. Unless the Company obtains disinterested shareholder approval in accordance with the New Option Plan and the policies of the Exchange, the maximum aggregate number of Shares that may be reserved for issuance to insiders of the Company under the New Option Plan or any other security based compensation plan; and the maximum aggregate number of Options granted to insiders of the Company under the New Option Plan or awards under any other security based compensation plan within a one-year period, may not exceed 10% of the issued and outstanding Common Shares as at the time of the applicable grant.

Termination Before Expiry: Generally, Options will expire and terminate on a date stipulated at the time of the Option grant. If the Participant is terminated by the Company or a subsidiary of the Company (for or without cause) or resigns (but excluding retirement), such Option holder's vested Options will expire 30 days following the date the Option holder ceases to be a Participant or on the expiry of such Option, whichever is earlier. If a Participant is terminated upon death, the vested Options of the deceased Option holder will be exercisable for a period not exceeding one year following the date of death or on the expiry of such Option, whichever is earlier. If a Participant is terminated by reason of disability or due to retirement, such Option holder's vested Options will expire 30 days following the date the Option holder ceases to be a Participant or on the expiry of such Option, whichever is earlier. Notwithstanding the foregoing, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in the foregoing, or in an employment agreement, consulting agreement, Option Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant, permit the acceleration of vesting of any or all Options or waive termination of any or all Options, all in the manner and on the

terms as may be authorized by the Plan Administrator; provided that, for so long as the Shares are listed and posted for trading on the Exchange, no acceleration of the vesting provisions applicable to Investor Relations Service Providers is permitted without prior Exchange acceptance.

Change in Control: Except as may be set forth in an employment agreement, consulting agreement, Option Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant, notwithstanding anything else in the New Option Plan or any Option Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become exercisable, or restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iii) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Option as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise of such Option, then such Option may be terminated by the Company without payment); (iv) the replacement of such Option with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing.

Adjustment: The New Option Plan allows the Plan Administrator to take steps it may consider to be equitable and appropriate in the event of a subdivision, consolidation or any other relevant change in the Company's capitalization, or an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Company and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Options in order to adjust the number and/or type of Shares that may be acquired on the vesting of outstanding Options or by reference to which such Options may be settled (as applicable).

Amendment, Suspension, or Termination of New Option Plan: The Plan Administrator may from time to time, without notice and without approval of the shareholders of the Company, amend, modify, change, suspend or terminate the New Option Plan or any Options granted pursuant to the New Option Plan as it, in its discretion, determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the New Option Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements. Notwithstanding the foregoing and subject to any rules of the Exchange, approval of shareholders will be required for certain amendments set out in the New Option Plan, including, changes to the Participants of the New Option Plan and extension to the term of an Option beyond its maximum term. However, the Plan Administrator may, without the shareholders' approval, amend the New Option Plan for specific purposes set out in the New Option Plan, including, any amendments to the general vesting provisions of each Option.

New Option Plan Resolution

Pursuant to the requirements of the Exchange, the New Option Plan must be approved by a simple majority of the votes cast by the Shareholders at the Meeting. The New Option Plan is intended to serve as a successor to the Existing Option Plan. If approved, the New Option Plan will become effective and replace the Existing Option Plan in its entirety. All outstanding options granted under

the Existing Option Plan will continue to be covered by the terms of and conditions of the instrument evidencing such options and the Existing Option Plan; whereas each option granted on or after June 21, 2022 will be governed solely by the terms and conditions of the instrument evidencing such option and the New Option Plan.

At the Meeting, Shareholders will be asked to pass an ordinary resolution approving the New Option Plan in the following form (the “**New Option Plan Resolution**”):

“**RESOLVED** as an ordinary resolution, that:

1. The new stock option plan (the “**New Option Plan**”) of Los Andes Copper Ltd. (the “**Company**”) in substantially the form described in, and appended to, the management information circular of the Company dated June 21, 2022, be and the same is hereby ratified, confirmed and approved, and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements.
2. The aggregate number of common shares of the Company reserved for issuance pursuant to options granted under the New Option Plan and any other security based compensation plans of the Company shall not exceed 10% of the Company's issued and outstanding Shares from time to time.
3. The board of directors of the Company or any committee of the board of directors of the Company be and is hereby authorized to grant options pursuant to and subject to the terms and conditions of the New Option Plan to those eligible to receive options thereunder.
4. Any one director or officer of the Company is authorized and directed on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments, and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions.”

Management of the Company recommends that the Shareholders vote for the New Option Plan Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the New Option Plan Resolution.

Approval of RSU Plan

On June 21, 2022, the Board approved and adopted a fixed RSU Plan that complies with the updated Policy 4.4. On June 14, 2022, the Exchange conditionally approved the RSU Plan, subject to the Shareholders' approval at the Meeting.

The purposes of the RSU Plan are to: (a) enhance the Company's ability to provide long term incentive compensation to certain directors, officers, employees and consultants as selected by the Board in its sole discretion (but not including any person performing investor relations activities for the Company) in compliance with applicable laws and rules of the Exchange, which is linked to performance of the Company and not immediately dilutive to shareholders, (b) assist the Company in attracting, retaining and motivating certain directors, officers, employees or consultants; and (c) promote a closer alignment of interests between the Participants and the shareholders of the Company.

Particulars of the RSU Plan

A summary of the material terms of the RSU Plan is provided below. Please refer to Schedule "C" in this Circular for full text of the RSU Plan. This summary is qualified in its entirety by the full text of the RSU Plan. Unless otherwise specified, all capitalized terms used in the following summary have the same meanings as those given to such terms in the RSU Plan.

Administration: The RSU Plan will be administered by the Board, or any committee of the Board appointed by the Board to administer the RSU Plan.

Number of Shares Reserved: The maximum number of Shares which may be issuable upon vesting of outstanding RSUs granted under the RSU Plan is 500,000 Shares. The number of Shares issuable under the RSU Plan together with Shares issuable under all Security Based Compensation Plans of the Company will not exceed 10% of the issued and outstanding Shares of the Company as of any given time.

Eligible Participants: RSUs will be granted only to eligible Participants. The Company and the Participant are responsible for ensuring and confirming that each Participant to whom Unit Awards are to be granted is a bona fide director, officer, employee, or consultant (as the case may be) of the Company or its Subsidiaries. Unit Awards may not be granted under the RSU Plan to persons retained to provide Investor Relations Activities.

Vesting and Settlement of RSUs: Each RSU will vest on such terms as shall be specified by the Company at the time of granting the RSU. Except as otherwise provided in the RSU Plan, no RSUs may vest before the date that is one year following the date it is granted or issued. Once vested, an RSU shall be settled by the Company by a payment to the Participant in Common Shares in accordance with the election provided by the Participant and the RSU Plan.

Maximum RSUs per Person: The number of Shares reserved for issuance to any one Participant pursuant to RSUs granted under the RSU Plan or other awards under any other security based compensation plan during any 12-month period may not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding Shares at the time of grant. Unless the Company obtains disinterested shareholder approval in accordance with the RSU Plan and the policies of the Exchange, the maximum aggregate number of Shares that may be reserved for issuance to insiders of the Company under the RSU Plan or any other security based compensation plan; and the maximum aggregate number of RSUs granted to insiders of the Company under the RSU Plan or awards under any other security based compensation plan within a one-year period, may not exceed 10% of the issued and outstanding Shares as at the time of the applicable grant.

Dividend Equivalents: Unless otherwise determined by the Committee and set forth in the Award Grant Agreement, the notional account of each Participant will be credited with additional Unit Awards on each dividend payment date in respect of which Dividends are paid by the Company on the Shares. For clarity, any dividend equivalents granted under the RSU Plan will be included in calculating the limits on issuance of Shares under the RSU Plan. If the Company does not have a sufficient number of available Shares under the RSU Plan to grant such dividend equivalents, or where the issuance of shares would result in breaching a limit on any grants or issuances contained in the RSU Plan, the Company shall make such dividend payments in cash.

Adjustments: The RSU Plan contains provisions for adjustment in the number of Shares issuable on vesting of RSUs in the event of stock dividend, subdivision or consolidation of Shares, reclassification or conversion of Shares, or any other any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off

involving the Company or other distribution (other than normal course cash dividends) of the Company assets to holders of Shares or any other similar corporate transaction or event, which the Committee determines affects the Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Participants under the RSU Plan.

Amendment, Suspension and Termination of RSU Plan: Subject to the policies of the Exchange, the Board or Committee may from time to time amend the RSU Plan in any manner without the consent or approval of any Participant. For greater certainty, without limiting the generality of the foregoing, the Board or Committee may amend the RSU Plan as they consider necessary or appropriate to ensure the RSU Plan continues to qualify for certain desirable tax treatment under relevant jurisdiction. Notwithstanding any other provision of the RSU Plan, no consent to any amendment, suspension or termination of the RSU Plan that adversely affects Unit Awards previously granted shall be required if such amendment, suspension or termination is considered by the Committee, on the advice of counsel, to be necessary or desirable to avoid adverse tax consequences to certain Participants under relevant tax legislation or regulations. Unless required by Applicable Laws, subject to provisions of the RSU Plan, no such amendment shall adversely affect the rights of any Participant at the time of such amendment with respect to Unit Awards credited to such Participant's notional account at the time of such amendment without the consent of the affected Participant. The Board or Committee may at any time and from time to time suspend, in whole or in part, or terminate, this Plan.

RSU Plan Resolution

Pursuant to the requirements of the Exchange, the RSU Plan must be approved by a simple majority of the votes cast by the Shareholders at the Meeting. At the Meeting, Shareholders will be asked to pass an ordinary resolution approving the RSU Plan in the following form (the "**RSU Plan Resolution**"):

“RESOLVED as an ordinary resolution, that:

1. The restricted share unit plan (the "**RSU Plan**") of Los Andes Copper Ltd. (the "**Company**") in substantially the form described in, and appended to, the management information circular of the Company dated June 21, 2022, be and the same is hereby ratified, confirmed and approved, and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements.
2. The aggregate number of common shares of the Company reserved for issuance upon vesting of restricted share units granted under the RSU Plan shall not exceed 500,000 common shares.
3. The board of directors of the Company or any committee of the board of directors of the Company be and is hereby authorized to issue restricted share units pursuant to and subject to the terms and conditions of the RSU Plan to those eligible to receive restricted share units thereunder.
4. Any one director or officer of the Company is authorized and directed on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments, and do all such other acts and things that may be necessary or desirable to give effect to the foregoing resolutions."

Management of the Company recommends that the Shareholders vote for the RSU Plan Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the RSU Plan Resolution.

Other Matters

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or postponement thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.

ADDITIONAL INFORMATION

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis for the most recently completed financial year ended September 30, 2021. Additional information relating to the Company, including its comparative financial statements and management discussion and analysis, is available on SEDAR at www.sedar.com. Copies of the Company's financial statements and management discussion and analysis may also be obtained upon request from management of the Company at its offices.

The Company's mailing address and business office is located at Suite 880, 580 Hornby Street, Vancouver, BC V6C 3B6 Canada.

SCHEDULE “A”
AUDIT COMMITTEE CHARTER

(Effective
January 27,
2005)

A. Audit Committee Purpose

The Board of Directors of the Corporation has an overall responsibility to oversee the affairs of the Company for the benefit of the Shareholders. The Audit Committee is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. The Audit Committee’s primary duties and responsibilities are to:

- Ensure the effectiveness of the overall process of identifying and addressing principal business risk and the adequacy of the related disclosure
- Monitor the integrity of the Company’s financial reporting process and systems of internal controls regarding finance, accounting and legal compliance
- Monitor the independence and performance of the Company’s independent auditors
- Provide an avenue of communications among the independent auditors, management and the Board of Directors
- Encourage adherence to, and continuous improvement of, the Company’s policies, procedures and practices at all levels

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as to anyone in the organization. The Audit Committee has the ability to retain, at the Company’s expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

B. Audit Committee Composition and Meetings

Audit Committee members shall meet the requirements of the TSX-V and MI 52-110. The Audit Committee shall be comprised of three or more directors as determined by the Board, the majority of whom shall be independent non-executive directors, free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Committee shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, and at least one member of the Committee shall have accounting or related financial expertise.

Audit Committee members shall be appointed by the Board. If the Audit Committee Chair is not designated or present, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting. The Committee should meet privately in executive session at least annually with management, the independent auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.

C. Audit Committee Responsibilities and Duties

Review Procedures

1. Gain an understanding of the Company's current areas of greatest financial risk and whether management is managing these effectively.
2. Review the Company's annual audited financial statements and management discussion and analysis prior to filing or distribution. Review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices and judgments.
3. In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors together with management's responses.
4. Review with management the Company's quarterly financial results and management discussion and analysis prior to filing or distribution. Discuss any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors.

Independent Auditors

1. The independent auditors are accountable directly to the Audit Committee. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the independent auditors or approve any discharge of auditors when circumstances warrant.
2. Approve the fees and other significant compensation to be paid to the independent auditors, and pre-approve any non-audit services that the auditor may provide.
3. On an annual basis, the Committee should review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditor's independence.
4. Review the independent auditors audit plan and engagement letter.
5. Prior to releasing the year-end financial results, discuss the results of the audit with the independent auditors.
6. Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting practices.

Other Audit Committee Responsibilities

1. The Chairman of the Committee will review all disclosure documents to be issued by the Company relating to financial matters, including news releases, annual information forms and information circulars.
2. The Committee will establish a procedure for the: (i) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing

matters, and (ii) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

SCHEDULE "B"
NEW OPTION PLAN

See Attached.



**LOS ANDES COPPER LTD.
STOCK OPTION PLAN**

June 21, 2022

**Los Andes Copper Ltd.
Stock Option Plan**

**ARTICLE 1
PURPOSE**

1.1 Purpose

The purpose of this stock option plan (the “**Plan**”) is to provide the Company, and each subsidiary of the Company, with a mechanism to attract, retain and motivate qualified Directors, Officers, Employees and Consultants of the Company and its subsidiaries through equity participation by granting from time to time to such Directors, Officers, Employees and Consultants stock options to purchase Shares for their contributions toward the long term goals and success of the Company and to enable and encourage such Directors, Officers, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSXV Policies and any inconsistencies between this Plan and TSXV Policies will be resolved in favour of the latter.

**ARTICLE 2
INTERPRETATION**

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

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

“**Associate**” has the meaning set forth in the *Securities Act* (British Columbia);

“**Blackout Period**” means a period during which the Company restricts trades in the securities of the Company for any reason from time to time, including pursuant to the Company’s insider trading policy;

“**Board**” means the board of directors of the Company as it may be constituted from time to time;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

“**Canadian Taxpayer**” means a Participant that is resident of Canada for purposes of the *Tax Act*;

“**Cashless Exercise**” has the meaning set forth in Section 4.6(b);

“**Cause**” means, with respect to a particular Participant:

- (a) “**cause**” (or any similar term) as such term is defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Employee;

- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company or “**cause**” (or any similar term) is not defined in such agreement, “**cause**” as such term is defined in the Option Agreement; or
- (c) in the event neither (a) nor (b) apply, then “**cause**” as such term is defined by applicable law or, if not so defined, such term shall refer to circumstances where (i) an employer may terminate an individual's employment without notice or pay in lieu thereof or other damages, or (ii) the Company or any subsidiary thereof may terminate the Participant's contract without notice or without pay in lieu thereof or other termination fee or damages, except, in each case, to the extent required under ESL, and provided that the failure by a Participant to meet performance targets or similar measures shall not, in and of itself, constitute cause for purposes of such termination of employment or contract;

“**Change in Control**” means the occurrence of any one or more of the following events:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two (2) or more Persons acting jointly or in concert (other than the Company or a subsidiary of the Company) hereafter acquires the direct or indirect beneficial ownership of, or acquires the right to exercise Control or direction over, securities of the Company representing more than 50% of the total voting power represented by the then issued and outstanding voting securities of the Company, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Company with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Company to a Person other than a subsidiary of the Company;
- (c) the dissolution or liquidation of the Company, other than in connection with the distribution of assets of the Company to one (1) or more Persons which were Affiliates of the Company prior to such event; or
- (d) the occurrence of a transaction requiring approval of the Company's shareholders whereby the Company is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a subsidiary of the Company);

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred if immediately following the transaction set forth in clauses (a), (b), (c) or (d) above: (A) the holders of securities of the Company that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Company hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Company in a transaction contemplated in clause (b) above) (the “**Surviving Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (“**voting power**”) of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the “**Parent Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities

eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a “**Non-Qualifying Transaction**” and, following the Non-Qualifying Transaction, references in this definition of “**Change in Control**” to the “**Company**” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a company or a trust, references to the “**Board**” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

“**Committee**” has the meaning set forth in Section 3.2;

“**Company**” means Los Andes Copper Ltd., a company duly existing under the laws of the Province of British Columbia, and its Affiliates, if any, and includes any successor or assignee entity or entities into which the Company may be merged, changed, or consolidated; any entity for whose securities the securities of the Company shall be exchanged; and any assignee of or successor to substantially all of the assets of the Company;

“**Consultant**” has the meaning set forth in Policy 4.4;

“**Control**” means the relationship whereby a Person is considered to be “**controlled**” by a Person if:

- (a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
- (b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and
- (c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and

the words “**Controlled by**”, “**Controlling**” and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

“**Date of Grant**” means, for any Option, the future date specified by the Plan Administrator at the time it grants the Option or if no such date is specified, the date upon which the Option was granted;

“**Director**” has the meaning set forth in Policy 4.4;

“**Disabled**” or “**Disability**” means, with respect to a particular Participant:

- (a) “**disabled**” or “**disability**” (or any similar terms) as such terms are defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Participant;

- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company, or “**disabled**” or “**disability**” (or any similar terms) are not defined in such agreement, “**disabled**” or “**disability**” as such term are defined in the Option Agreement;
- (c) in the event neither (a) or (b) apply, then the incapacity or inability of the Participant, by reason of mental or physical incapacity, disability, illness or disease (as determined by a legally qualified medical practitioner or by a court) that prevents the Participant from carrying out his or her normal and essential duties as an Employee, Director or Consultant for a continuous period of six (6) months or for any cumulative period of 180 days in any consecutive twelve (12) month period and is expected to continue, the foregoing subject to and as determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

“**Discounted Market Price**” has the meaning set forth in Policy 1.1;

“**Effective Date**” means the effective date of this Plan, being **[May 31]**, 2022;

“**Employee**” has the meaning set forth in Policy 4.4;

“**ESL**” means the employment standards legislation, as amended or replaced, applicable to a Participant who is an Employee or Officer;

“**Exchange**” means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

“**Exercise Notice**” means a notice in writing, signed by a Participant and stating the Participant's intention to exercise a particular Option;

“**Exercise Price**” means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

“**Expiry Date**” means, in respect of Options, the expiry date specified in the Option Agreement for an Option (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

“**Good Reason**” means, with respect to a particular Participant:

- (a) “**good reason**” (or any similar term) as such term is defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Participant;
- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company, or “**good reason**” is not defined in such agreement, “**good reason**” as such term is defined in the Option Agreement; or
- (c) in the event neither (a) or (b) apply, the occurrence of any one or more of the following events without the Participant's prior written consent, which, if capable of being cured, remains uncured by the Company within 30 days following receipt of written notice from the Participant specifying in reasonable detail the nature of such occurrence, which notice shall be provided by the Participant no later than 30 days after the occurrence of such event giving rise to the right to resign for Good Reason:

- (i) there is a material diminution in the Participant's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, excluding for this purpose any isolated, insubstantial or inadvertent actions not taken in bad faith and which are remedied by the Participant's Employer promptly after receipt of notice thereof given by the Participant;
- (ii) the Participant's Employer's material reduction of the Participant's base salary, as the same may be increased from time to time, or the percentage on which any short-term incentive payment is based, as such terms are defined in the Participant's employment agreement, other than any across the board reduction of 10% or less which may be implemented by such employer in respect of its senior employees from time to time;
- (iii) the Participant's Employer's material reduction or elimination of benefits granted to the Participant in his or her employment agreement or granted to the Participant during his or her employment, save and except any change or elimination of any benefits due to a change in the benefit plan or provider, provided that the new benefits are substantially similar in the aggregate to the current benefits;
- (iv) a material change in the geographic location of the principal location of employment of the Participant, which shall, in any event, include only a relocation of such principal location by more than one hundred (100) kilometers from its existing location; or
- (v) the Participant's Employer's material breach of the employment agreement between the Participant's Employer and the Participant.

In order for a resignation to qualify as a resignation for “**Good Reason**” hereunder, the Participant must resign for such event no later than 30 days after the Company's cure period has expired. For greater certainty, “**Good Reason**” shall not include year-over-year variations in the amount of, or percentage entitlement to, if any, Options awarded to the Participant based on the Company's determination of achievement. In addition, “**Good Reason**” shall not include any change in title or reporting other than a change which would generally be considered to constitute a demotion by the Participant's peers in the industry and “**Good Reason**” shall not include any change in the Participant's duties and responsibilities provided that such changes do not result in a diminution of the scope or dignity of the Participant's overall duties and responsibilities;

“**In-the-Money Amount**” has the meaning given to it in Subsection 4.6(c);

“**Insider**” means an “**insider**” as defined in the rules of the Exchange from time to time;

“**Investor Relations Service Provider**” has the meaning ascribed to such term in Policy 4.4;

“**Market Price**” at any date in respect of the Shares shall be the volume weighted average trading price of the Shares on the Exchange, for the five (5) trading days immediately preceding the Date of Grant (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board); provided that, for so long as the Shares are listed and posted for trading on the TSXV, the Market Price shall not be less than the Market Price as defined in Policy 1.1;

“Material Information” has the meaning set forth in Policy 1.1;

“Net Exercise” has the meaning set forth in Subsection 4.6(c);

“Officer” has the meaning set forth in Policy 4.4;

“Option” means a right to purchase Shares under Article 4 of this Plan that is non-assignable and non-transferable, unless otherwise approved by the Plan Administrator;

“Option Agreement” means a signed, written agreement between a Participant and the Company, in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Option has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

“Option Shares” means Shares issuable by the Company upon the exercise of outstanding Options;

“Participant” means a Director, Officer, Employee or Consultant to whom an Option has been granted under this Plan;

“Participant's Employer” means with respect to a Participant that is or was an Employee, the Company or such subsidiary of the Company as is or, if the Participant has ceased to be employed by the Company or such subsidiary of the Company, was the Participant's Employer;

“Performance Goals” means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the particular criteria, and may be applied to one or more of the Company, a subsidiary of the Company, a division of the Company or a subsidiary of the Company, or an individual, or may be applied to the performance of the Company or a subsidiary of the Company relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

“Person” means an individual and a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“Plan” has the meaning set forth in Section 1.1.

“Plan Administrator” means the Board or if so delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“Policy 1.1” means the TSXV Policy 1.1 entitled **“Interpretation”** as amended from time to time;

“Policy 4.4” means the TSXV Policy 4.4 entitled **“Security Based Compensation”** as amended from time to time;

“Retirement” means, with respect to a particular Participant:

- (a) **“retirement”** (or any similar term) as such term is defined in the employment or other written agreement between the Company or a subsidiary of the Company and the Participant;

- (b) in the event there is no written or other applicable employment or other agreement between the Company or a subsidiary of the Company, or “**retirement**” is not defined in such agreement, “**retirement**” as such term is defined in the Option Agreement; or
- (c) in the event neither (a) or (b) apply, the voluntary cessation of a Participant's employment with the Company, provided that, as at the Termination Date (i) the Participant's age is at least sixty-five (65) and the Participant has at least ten years of service with the Company or a subsidiary of the Company, (ii) the Participant is not receiving or otherwise entitled to compensation in lieu of notice of termination, severance or similar payments, and (iii) the Participant has agreed in writing not to work for a competitor of the Company for a period of at least two (2) years following the Termination Date;

“**Security Based Compensation Plan**” has the meaning given to such term in Policy 4.4.

“**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Company or to which it is subject;

“**Share**” means one (1) common share in the capital of the Company as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, or after an adjustment contemplated by Article 7, such other shares or securities to which the holder of an Option may be entitled as a result of such adjustment;

“**subsidiary**” means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Company has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary;

“**Tax Act**” means the *Income Tax Act* (Canada);

“**Termination Date**” means, subject to applicable law which cannot be waived:

- (a) in the case of an Employee or Officer whose employment with the Company or a subsidiary of the Company terminates (regardless of whether the termination is lawful or unlawful, with or without Cause, and whether it is the Participant or the Company or a subsidiary of the Company that initiates the termination), the later of: (i) if and only to the extent required to comply with the minimum standards of ESL, the date that is the last day of any applicable minimum statutory notice period applicable to the Employee or Officer pursuant to ESL, if any; and (ii) the date designated by the Employee or Officer and such Participant's Employer as at the last day of such Employee's or Officer's employment, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given; and, for the avoidance of any doubt, the parties intend to displace the presumption that the Participant has any entitlements in respect of the Plan or any Options during any period of reasonable notice of termination under common law or civil law in the case of either (i) or (ii), without regard to any applicable period of reasonable notice or contractual notice to which the Participant may claim to be entitled under common law, civil law or pursuant to contract in respect of a period that follows the last day that the Participant actually and actively provides services to the Company or a subsidiary of the Company, as specified in the notice of termination provided by the Employee or Officer or the Participant's Employer, as the case may be;

- (b) in the case of a Consultant whose agreement or arrangement with the Company or a subsidiary of the Company terminates, (i) the date designated by the Company or the subsidiary of the Company, as the “**Termination Date**” (or similar term) or expiry date in a written agreement between the Consultant and Company or a subsidiary of the Company, or (ii) if no such written agreement exists, the date designated by the Company or a subsidiary of the Company, as the case may be, on which the Consultant ceases to be a Consultant or a service provider to the Company or the subsidiary of the Company, as the case may be, or on which the Participant’s agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant’s consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given; in any event, the “**Termination Date**” shall be determined without including any period of notice that the Company or the subsidiary of the Company (as the case may be) may be required by law to provide to the Participant or any pay in lieu of notice of termination, termination fees or other damages paid or payable to the Participant; and
- (c) in the case of a Director, the date such individual ceases to be a Director, unless the individual continues to be a Participant in another capacity;

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

“**TSXV Policies**” means the policies included in the TSX Venture Exchange Corporate Finance Manual and “**TSXV Policy**” means any one of them, as such policies may be amended, supplemented or replaced from time to time.

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term “**discretion**” means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms “**Article**”, “**Section**”, “**Subsection**” and “**clause**” mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3 ADMINISTRATION

3.1 Administration

Subject to the terms herein, this Plan will be administered by the Plan Administrator and the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants of Options under the Plan may be made;
- (b) make grants of Options under the Plan relating to the issuance of Shares in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Options may be granted;
 - (ii) the conditions under which:
 - (A) Options may be granted to Participants; or
 - (B) Options may be forfeited to the Company;
 - (iii) the number of Shares to be covered by any Option;
 - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Options;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Option Agreements;
- (d) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Option Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws; and
- (g) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

3.2 Delegation to Committee

To the extent permitted by applicable law, the Board may, from time to time, assume or delegate to any committee of the Board (the “**Committee**”) all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Company or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

3.3 Determinations Binding

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Company and its subsidiaries, the affected Participant(s), their legal and personal representatives and all other Persons.

3.4 Eligibility

All Directors, Officers, Employees and Consultants are eligible to participate in the Plan. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Officer, Employee or Consultant any right to receive any grant of an Option pursuant to the Plan. The extent to which any Director, Officer, Employee or Consultant is entitled to receive a grant of an Option pursuant to the Plan will be determined in the discretion of the Plan Administrator. The Company and the Participant shall be responsible for ensuring and confirming that the Participant is a bona fide Director, Officer, Employee or Consultant, as the case may be.

3.5 Plan Administrator Requirements

Any Option granted under this Plan shall be subject to the requirement that, if at any time the Company shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Option upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Company is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Company in complying with such legislation, rules, regulations and policies.

3.6 Total Shares Subject to Options

- (a) The aggregate number of Shares that may be reserved for issuance under the Options granted under this Plan, at any time, shall not exceed ten (10%) percent of the Company's issued and outstanding Shares on the Date of Grant.
- (b) To the extent any Options (or portion(s) thereof) under this Plan terminate or are cancelled for any reason prior to exercise in full, or are surrendered to the Company by the Participant, except surrenders relating to the payment of the purchase or exercise price of any such Option or the satisfaction of the tax withholding obligations related to any such Option, any Shares subject to such Options (or portion(s) thereof)

shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Options granted under this Plan.

- (c) Any Shares issued by the Company through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company will reduce the number of Shares available for issuance pursuant to the exercise of Options granted under this Plan.

3.7 Limits on Grants of Options

Notwithstanding anything in this Plan, the granting of Options shall be subject to the following conditions:

- (a) for so long as the Shares are listed and posted for trading on the TSXV, not more than two (2%) percent of the Company's issued and outstanding Shares may be granted to any one Consultant in any 12 month period;
- (b) for so long as the Shares are listed and posted for trading on the TSXV, not more than an aggregate of two (2%) percent of the Company's issued and outstanding Shares may be granted in aggregate to Investor Relations Service Providers in any 12 month period;
- (c) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, not more than five (5%) percent of the Company's issued and outstanding Shares may be issued to any one Person in any 12 month period;
- (d) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the Company shall not decrease the Exercise Price or extend the term of Options previously granted to Insiders;
- (e) for so long as the Shares are listed and posted for trading on the TSXV, Investor Relations Service Providers shall not be eligible to receive any awards other than Options;
- (f) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the aggregate number of Shares issuable to Insiders under all Security Based Compensation Plans of the Company shall not exceed ten (10%) percent of the Company's issued and outstanding Shares at any point in time; and
- (g) for so long as the Shares are listed and posted for trading on the TSXV, unless the Company has obtained disinterested shareholder approval, the aggregate number of Shares issuable to Insiders under all Security Based Compensation Plans of the Company within any one (1) year period shall not exceed ten (10%) percent of the Company's issued and outstanding Shares.

If disinterested shareholder approval is required, the proposed grant(s) must be approved by a majority of the votes cast by all shareholders at the shareholders' meeting, excluding votes attaching to shares beneficially owned by, (i) Insiders to whom Options may be granted under the Plan; and (ii) Associates of such Insiders. Holders of non-voting and subordinate voting shares must be given full

voting rights on a resolution that requires disinterested shareholder approval.

3.8 Hold Period

All Options and any Shares issued on the exercise of Options may be subject to and legended with a four month hold period commencing on the date the Options were granted pursuant to the rules of the Exchange and applicable Securities Laws. Any Shares issued on the exercise of Options may be subject to resale restrictions contained in National Instrument 45-102 – Resale of Securities which would apply to the first trade of the Shares.

3.9 Options Granted to Corporations

Except in relation to a Consultant that is a corporation, Options may only be granted to an individual or a corporation that is wholly-owned by a Director, Officer, Employee or Consultant, as applicable. For so long as the Shares are listed and posted for trading on the TSXV, if a corporation is a Participant receiving Options, it must provide the TSXV with a completed Form 4F – Certification and Undertaking Required from a Corporation Granted an Incentive Stock Option. Any corporation to which Options are granted must agree not to effect or permit any transfer of ownership or option of shares of the corporation nor to issue further shares of any class in the corporation to any other individual or entity as long as the Option remains outstanding, except with the written consent of the Exchange.

3.10 Option Agreements

Each Option under this Plan will be evidenced by an Option Agreement. Each Option Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one officer of the Company is authorized and empowered to execute and deliver, for and on behalf of the Company, an Option Agreement to each Participant granted an Option pursuant to this Plan.

3.11 Non-Transferability of Options

Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of Options, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Options whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Options will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding Option pass to a beneficiary or legal representative upon death of a Participant, the period in which such Option can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Director, Officer, Employee or Consultant. The terms and conditions of each Option grant shall be evidenced by an Option Agreement. Notwithstanding any of the foregoing provisions, the Plan Administrator may authorize the grant of an Option to a person not then in the employ of the Company or of its subsidiary, conditioned upon such person becoming a Director, Officer, Employee or Consultant at or prior to the Date of Grant of such Option. In the case of a grant of Options to a Participant that is a

resident of Canada for the purposes of the *Tax Act*, the Company or other employer of the Participant shall, to the extent required and in the manner prescribed by the *Tax Act*, notify the Participant and the Canada Revenue Agency whether any Shares that may be issued or sold under such Options will be non-qualified securities for the purposes of the *Tax Act*.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Market Price on the Date of Grant, provided that, for so long as the Shares are listed and posted for trading on the TSXV, the Exercise Price must in all cases be not less than the Discounted Market Price on the Date of Grant.

4.3 Term of Options

- (a) Subject to any accelerated vesting or termination as set forth in this Plan, each Option expires on its Expiry Date, which may not be later than the close of business ten (10) years from the Date of Grant.
- (b) Upon the Expiry Date, the Options granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the Shares in respect of which the Option hereby granted has not then been exercised.

4.4 Vesting

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options.
- (b) Notwithstanding the foregoing, all Options granted to Investor Relations Service Providers pursuant to this Plan shall vest and become fully exercisable as follows or as determined by the Plan Administrator when the Option is granted, but in any event, such Options shall not vest any sooner than:
 - (i) one quarter ($\frac{1}{4}$) of the Options on the date which is three (3) months from the Date of Grant;
 - (ii) one quarter ($\frac{1}{4}$) of the Options on the date which is six (6) months from the Date of Grant;
 - (iii) one quarter ($\frac{1}{4}$) of the Options on the date which is nine (9) months from the Date of Grant; and
 - (iv) the final one quarter ($\frac{1}{4}$) of the Options on the date which is twelve (12) months from the Date of Grant.
- (c) Notwithstanding anything to the contrary in the Plan, no more than one quarter ($\frac{1}{4}$) of such Options granted to Investor Relations Service Providers may vest in any three month period.

4.5 Exercisability

- (a) Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment

agreement, consulting agreement, Option Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant. Each vested Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable.

- (b) Subject to the provisions of this Plan and any Option Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Company.
- (c) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.6 Payment of Exercise Price

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Option Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by certified cheque, wire transfer, bank draft or money order payable to the Company or by such other means as might be specified from time to time by the Plan Administrator, which, to the extent permitted by and otherwise subject to the rules and policies of the Exchange, may include (i) through a Cashless Exercise process set out in Section 4.6(b), (ii) through the Net Exercise process set out in Section 4.6(c), or (ii)/(iii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Securities Laws, or any combination of the foregoing methods of payment.
- (b) A Participant may, conditional upon the prior written consent of the Company, exercise Options in whole or in part by notice in writing delivered by the Participant to the Company electing, in lieu of making a cash payment of the applicable Exercise Price, to pay the Exercise Price pursuant to a cashless exercise (a “**Cashless Exercise**”) whereby the Company has an arrangement with a specified brokerage firm and permits such brokerage firm to (i) loan money to the Participant to purchase the Shares underlying the Options, (ii) sell a sufficient number of the Shares purchased on exercise of the Options to repay the loan made to the Participant, and (iii) deliver the balance of the Shares to the Participant.
- (c) A Participant may, in lieu of exercising an Option pursuant to an Exercise Notice, elect to surrender such Option to the Company (a “**Net Exercise**”) in consideration for an amount from the Company equal to (i) the Market Price of the Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate Exercise Price of the Option (or portion thereof) surrendered relating to such Shares, (the “**In-the-Money Amount**”) by written notice to the Company indicating the number of Options such Participant wishes to exercise using the Net Exercise, and such other information that the Company may require. Subject to Section 5.2, the Company shall satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Shares (rounded down to the nearest whole number) having an aggregate fair market value (based on the Market Price on the date of exercise) equal to the In-the-Money Amount. Any Options surrendered in connection with a Net Exercise will not be added back to the number of Shares reserved for issuance under this Plan. No

Shares will be issued or transferred until full payment therefor has been received by the Company.

ARTICLE 5 ADDITIONAL AWARD TERMS

5.1 Blackout Period

If an Option expires during a routine or special trading Blackout Period, then, notwithstanding any other provision of this Plan, unless the delayed expiration would result in negative tax consequences, the Option shall expire ten (10) Business Days after the Blackout Period is lifted by the Company; and provided that, (i) the Blackout Period must be deemed to have expired upon the general disclosure of the undisclosed Material Information, and (ii) the automatic extension of an Option will not be permitted where the Participant or the Company is subject to a cease trade order (or similar order under applicable Securities Laws) in respect of the Company's securities.

5.2 Withholding Taxes

Notwithstanding any other terms of this Plan, the granting, vesting or settlement of each Option under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Company the minimum amount as the Company or a subsidiary of the Company is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Option. Any such additional payment is due no later than the date on which such amount with respect to the Option is required to be remitted to the relevant tax authority by the Company or a subsidiary of the Company, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Company or any Affiliate may (a) withhold such amount from any remuneration or other amount payable by the Company or any Affiliate to the Participant, (b) require the sale, on behalf of the applicable Participant, of a number of Shares issued upon exercise of such Option and the remittance to the Company of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

5.3 Recoupment

Notwithstanding any other terms of this Plan, Options may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Company or the relevant subsidiary of the Company, or as set out in the Participant's employment agreement, consulting agreement, Option Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 5.3 to any Participant or category of Participants.

ARTICLE 6 TERMINATION OF EMPLOYMENT OR SERVICES

6.1 Termination of Officer, Employee, Consultant or Director

Subject to Section 6.2, unless otherwise determined by the Plan Administrator or as set forth in an employment agreement, consulting agreement, Option Agreement or other written agreement:

- (a) where a Participant's employment, consulting or other agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant (whether such resignation is with or without Good Reason, but excluding a Retirement) or termination by the Company or a subsidiary of the Company (whether such termination occurs for, or without Cause, with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice), then, subject to applicable law that cannot be waived by the Participant:
- (i) each Option held by the Participant that has not vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Options; and
 - (ii) each Option held by a Participant that has vested may be exercised by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option and (B) the date that is 30 days after the Termination Date. Any Option that has not been exercised at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Options;
- (b) where a Participant's employment, consulting or other agreement or arrangement is terminated by reason of the death of the Participant,
- (i) each Option held by the Participant that has not vested as of the date of the death of such Participant is immediately forfeited and cancelled as of such date for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Options; and
 - (ii) each Option held by the Participant that has vested as of the date of the death of such Participant may be exercised at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option and (B) the first anniversary of the date of the death of such Participant. Any Option that has not been exercised at the end of such period shall be immediately forfeited and cancelled for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Options;
- (c) where a Participant's employment, consulting or other agreement or arrangement is terminated by reason of Disability or due to Retirement,
- (i) each Option held by the Participant that has not vested as of the date of such termination is immediately forfeited and cancelled as of such date for no consideration and the Participant shall not be entitled to any damages or other amounts in respect of such cancelled Options; and
 - (ii) each Option held by the Participant that has vested as of the date of such termination may be exercised at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Option and (B) on the 30 days following the date of such termination. Any Option that remains unexercised by the Participant shall be immediately forfeited upon the termination of such period and cancelled for no consideration and the Participant shall not be

entitled to any damages or other amounts in respect of such cancelled Options;

- (d) a Participant's eligibility to receive further grants of Options under this Plan ceases as of the earliest of the following:
 - (i) the Termination Date; or
 - (ii) the date of the death, Disability, Retirement or the date notice is given of the resignation of the Participant;
- (e) notwithstanding Subsection 6.1(a), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Company or a subsidiary of the Company for so long as the Participant continues to be a Director, Officer, Employee or Consultant, as applicable, of the Company or a subsidiary of the Company; and
- (f) where a Participant ceases to be an eligible Participant under the plan as per the requirements set out in Section 3.4, any Options granted or issued to such a Participant will expire within a reasonable period, not exceeding twelve (12) months from the date at which the Participant ceases to be an eligible Participant, following which the Participant shall not be entitled to any damages or other amounts in respect of such expired Option.

6.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 6.1, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, consulting agreement, Option Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant, permit the acceleration of vesting of any or all Options or waive termination of any or all Options, all in the manner and on the terms as may be authorized by the Plan Administrator; provided that, for so long as the Shares are listed and posted for trading on the TSXV, no acceleration of the vesting provisions set forth in Section 4.4(b) is permitted without prior TSXV acceptance.

ARTICLE 7 EVENTS AFFECTING THE COMPANY

7.1 General

The existence of any Options does not affect in any way the right or power of the Company or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Company's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Company, to create or issue any bonds, debentures, Shares or other securities of the Company or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 7 would have an adverse effect on this Plan or on any Option granted hereunder.

7.2 Change in Control

Except as may be set forth in an employment agreement, consulting agreement, Option Agreement or other written agreement between the Company or a subsidiary of the Company and the Participant:

- (a) Notwithstanding anything else in this Plan or any Option Agreement, the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become exercisable, or restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such merger or Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such merger or Change in Control; (iii) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Option as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise of such Option, then such Option may be terminated by the Company without payment); (iv) the replacement of such Option with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing. In taking any of the actions permitted under this Section 7.2(a), the Plan Administrator will not be required to treat all Options similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 7.2(a)) any property in connection with a Change in Control other than rights to acquire shares of a corporation or units of a “**mutual fund trust**” (as defined in the *Tax Act*), of the Company or a “**qualifying person**” (as defined in the *Tax Act*) that does not deal at arm's length (for purposes of the *Tax Act*) with the Company, as applicable, at the time such rights are issued or granted;
- (b) Notwithstanding Subsection 7.2(a) and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Company may terminate all of the Options, other than an Option held by a Canadian Taxpayer for the purposes of the *Tax Act*, granted under this Plan at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Option equal to the fair market value of the Option held by such Participant as determined by the Plan Administrator, acting reasonably, at or within a reasonable period of time following completion of such Change in Control transaction.

7.3 Reorganization of Company's Capital

Should the Company effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Company that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Options in order to adjust the number of Shares that may be acquired on the exercise of outstanding Options and/or the terms of any Option in order to preserve proportionately the rights

and obligations of the Participants holding such Options, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

7.4 Other Events Affecting the Company

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Company and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Options in order to adjust the number and/or type of Shares that may be acquired on the vesting of outstanding Options or by reference to which such Options may be settled (as applicable), and/or the terms of any Option in order to preserve proportionately the rights and obligations of the Participants holding such Options, the Plan Administrator will, subject to the prior approval of the Exchange, authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

7.5 Immediate Acceleration of Options

In taking any of the steps provided in Sections 7.3 and 7.4, the Plan Administrator will not be required to treat all Options similarly and where the Plan Administrator determines that the steps provided in Sections 7.3 and 7.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Options in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required to, permit the immediate vesting of any unvested Options.

7.6 Issue by Company of Additional Shares

Except as expressly provided in this Article 7, neither the issue by the Company of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Options.

7.7 Fractions

No fractional Shares will be issued pursuant to an Option. Accordingly, if, as a result of any adjustment under this Article 7 or otherwise, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 8 AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

8.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Company, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements.

8.2 Shareholder Approval

Notwithstanding Section 8.1 and subject to any rules of the Exchange, approval of the holders of Shares shall be required for any amendment, modification or change that:

- (a) increases the percentage of the Company's issued and outstanding Shares from time to time that can be reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (b) increases or removes the 10% limits on Shares issuable or issued to Insiders as set forth in Subsections 3.7(f) and 3.7(g);
- (c) reduces the exercise price of an Option (for this purpose, a cancellation or termination of an Option of a Participant prior to its Expiry Date for the purpose of reissuing an Option to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option) except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Company or its capital;
- (d) extends the term of an Option beyond its maximum term as set out in Section 4.3(a) (except where an Expiry Date would have fallen within a Blackout Period of the Company);
- (e) changes the eligible Participant of the Plan;
- (f) is a matter expressly subject to approval of the holders of Shares pursuant to the applicable rules of the Exchange; or
- (g) deletes or reduces the range of amendments which require approval of shareholders under this Section 8.2.

8.3 Permitted Amendments

Without limiting the generality of Section 8.1, but subject to Section 8.2 and subject to the approval of the Exchange where applicable, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Option;
- (b) making any amendments to the provisions set out in Article 6, provided that, for so long as the Shares are listed and posted for trading on the TSXV, shareholder approval shall be required for such amendments;
- (c) making any amendments to add covenants of the Company for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes

in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants; or

- (e) making such changes or corrections which, on the advice of counsel to the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 9 MISCELLANEOUS

9.1 Legal Requirement

The Company is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Company of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

9.2 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

9.3 Rights of Participant

No Participant has any claim or right to be granted an Option and the granting of any Option is not to be construed as giving a Participant a right to remain as an Employee, Officer, Consultant or Director. No Participant has any rights as a shareholder of the Company in respect of Shares issuable pursuant to any Option until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

9.4 Corporate Action

Nothing contained in this Plan or in an Option shall be construed so as to prevent the Company from taking corporate action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Option.

9.5 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of the Option Agreement shall govern. In the event of any conflict between or among the provisions of this Plan or any Option Agreement, on the one hand, and a Participant's employment agreement with the Company or a subsidiary of the Company, as the case may be, on the other hand, the provisions of the employment agreement or other written agreement shall prevail.

9.6 Anti-Hedging Policy

By accepting an Option each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of

exchange funds that are designed to hedge or offset a decrease in market value of Options.

9.7 Participant Information

Each Participant shall provide the Company with all information (including personal information) required by the Company in order to administer the Plan. Each Participant acknowledges that information required by the Company in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Company to make such disclosure on the Participant's behalf.

9.8 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Company to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Company does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

9.9 International Participants

With respect to Participants who reside or work outside Canada, the Plan Administrator may, in its discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Options with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

9.10 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Company and its subsidiaries.

9.11 General Restrictions or Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

9.12 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

9.13 Rights to Compensation or Damages

The Plan displaces any and all common law and civil law rights the Participant may have or claim to have in respect of any Options, including any right to damages. The foregoing shall apply, regardless of: (i) the reason for the termination of the Participant's employment, term of office or

service arrangement; (ii) whether such termination is lawful or unlawful, with or without Cause or Good Reason; (iii) whether it is the Participant or the Company or a subsidiary of the Company that initiates the termination; and (iv) any fundamental changes, over time, to the terms and conditions applicable to the Participant's employment, term of office or service arrangement.

9.14 Notices

All written notices to be given by a Participant to the Company shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Los Andes Copper Ltd.
Suite 880 – 580 Hornby Street
Vancouver, BC V6C 3B6
Attention: [●]
Email: [●]

All notices to a Participant will be addressed to the principal address of the Participant on file with the Company. Either the Company or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth Business Day following the date of mailing. Any notice given by either the Participant or the Company is not binding on the recipient thereof until received.

9.15 Effective Date

This Plan becomes effective on the Effective Date, subject to the approval of the shareholders of the Company.

9.16 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without any reference to conflicts of law rules.

9.17 Submission to Jurisdiction

The Company and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Options and any issuance of Shares made in accordance with the Plan.

SCHEDULE "C"
RSU PLAN

LOS ANDES COPPER LTD.
RESTRICTED SHARE UNIT PLAN

ARTICLE 1
PURPOSE AND RESTRICTIONS ON GRANT

Section 1.1 Purpose

The purposes of this Restricted Share Unit Plan (the "Plan") are to: (a) enhance the Corporation's ability to provide long term incentive compensation to certain directors, officers, employees and consultants as selected by the Board in its sole discretion (but not including any person performing investor relations activities for the Corporation) in compliance with applicable laws and rules of the TSXV, which is linked to performance of the Corporation and not immediately dilutive to shareholders, (b) assist the Corporation in attracting, retaining and motivating certain directors, officers, employees or consultants; and (c) promote a closer alignment of interests between the Participants and the shareholders of the Corporation.

Section 1.2 Effective Date

This Plan shall become effective on the Effective Date.

Section 1.3 Maximum Number of Common Shares Issuable Under this Plan

The maximum number of Common Shares issuable under this Plan for settlement of Unit Awards granted under this Plan shall be 500,000 Common Shares. The number of Common Shares issuable under this Plan together with Common Shares issuable under all Security Based Compensation Plans of the Corporation shall not exceed 10% of the issued and outstanding Common Shares of the Corporation as of any given time. If the maximum number of Common Shares issuable under this Plan for settlement of Unit Awards granted under this Plan has to be increased (due to the current maximum being used up or otherwise), the Corporation shall seek shareholders approval and the approval of the TSXV in respect of such increase as required by the TSXV Policies.

Section 1.4 Other Restrictions on Issuance of Common Shares

As long as required by the policies of the TSXV or other stock exchange having regulatory authority over the Corporation, the following restrictions shall apply to issuance of Common Shares for the settlement of Unit Awards granted under this Plan:

- (a) unless the Corporation has obtained the requisite disinterested shareholder approval, the maximum aggregate number of Common Shares which may be issued under all Security Based Compensation Plans of the Corporation granted or issued in any 12-month period to any one person (and companies owned or controlled by that person) may not exceed 5% of the Corporation's total number of Common Shares issued and outstanding on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to such person;
- (b) unless the Corporation has obtained the requisite disinterested shareholder approval, the maximum aggregate number of Common Shares which may be issued under all Security Based Compensation Plans of the Corporation granted or issued to Insiders

as a group may not exceed 10% of the Corporation's total number of Common Shares issued and outstanding on a non-diluted basis at any point in time;

- (c) unless the Corporation has obtained the requisite disinterested shareholder approval, the maximum aggregate number of Common Shares that are issuable under all Security Based Compensation Plans of the Corporation granted or issued in any 12-month period to Insiders as a group may not exceed 10% of the Corporation's total number of Common Shares issued and outstanding on a non-diluted basis, calculated on the date any Securities Based Compensation is granted to an Insider;
- (d) the maximum aggregate number of Common Shares that are issuable under all Security Based Compensation Plans of the Corporation to any one Consultant in any 12-month period may not exceed 2% of the number of the Corporation's total number of Common Shares issued and outstanding on a non-diluted basis, calculated as at the date any Security Based Compensation is granted or issued to the Consultant; and
- (e) Unit Awards may not be granted under this Plan to persons retained to provide Investor Relations Activities.

ARTICLE 2 INTERPRETATION

Section 2.1 Definitions

In and for the purposes of this Plan, except as otherwise expressly provided:

“Applicable Laws” means all corporate, securities or other laws (whether Canadian or foreign, federal, provincial or state) applicable to the Corporation in relation to the implementation and administration of this Plan and the matters contemplated herein.

“Award Grant Agreement” means an agreement evidencing a Unit Award in the form approved by the Committee.

“Awardee” means a Participant that, at the relevant time, holds a Unit Award.

“Beneficiary” of any Participant means, subject to any Applicable Laws, an individual who, on the date of the Participant's death, has been designated by the Participant to receive benefits payable under this Plan following the death of the Participant, or, where no such designation is validly in effect at the time of death of a Participant, or if no such individual validly designated survives the Participant until payment of benefits payable under this Plan in respect of Unit Awards credited to the Participant's notional account, the legal representative (an administrator, executor, committee or other like person) of the Participant.

“Blackout Period” means an interval of time during which the Corporation has determined that one or more Participants may not trade any securities of the Corporation because they may be in possession of undisclosed material information pertaining to the Corporation, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with the Corporation's insider-trading policy or applicable securities legislation (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an Insider, that Insider, is subject).

“Board” means the board of directors of the Corporation.

“Board Guidelines” has the meaning set out in Section 5.5.

“Business Day” means a day which is not a Saturday or Sunday or a day observed as a holiday under the laws of the Province of British Columbia.

“Committee” means the committee of the Board to which the Board delegates administration of this Plan, or if the Board does not so delegate, **“Committee”** shall mean the Board.

“Committee Guidelines” has the meaning set out in Section 5.6.

“Common Shares” means common shares in the capital of the Corporation.

“Consultants” has the meaning given to such term in TSXV Policy 4.4.

“Corporation” means Los Andes Copper Ltd.

“Directors” has the meaning given to such term in TSXV Policy 4.4.

“Dividends” mean ordinary course cash dividends which are declared and paid by the Corporation on the Common Shares (and, for greater certainty, **“Dividends”** will not include dividends which are payable in shares or securities or in assets other than cash but will, however, include dividends which may be declared in the ordinary course by the Corporation on the Common Shares which are payable, at the option of a shareholder, either in cash or in shares or securities or in assets other than cash, reflecting the cash amount per Common Share of such dividend).

“Dividend Equivalents” has the meaning set out in Section 4.7.

“Effective Date” means the later of June 21, 2022 and the date that this Plan is validly adopted and approved by the shareholders of the Corporation and all relevant regulatory authorities, including but not limited to the TSXV.

“Employees” has the meaning given to such term in TSXV Policy 4.4.

“Expiry Date” has the meaning set out in Section 4.4(3).

“Fair Market Value” of a Common Share on any day means the volume weighted average price of the Common Shares reported by the TSXV for the twenty trading days immediately preceding that day (or, if the Common Shares are not then listed and posted for trading on the TSXV, on such other exchange or quotation system selected for this purpose by the Committee), provided that if the Common Shares are not listed or posted on any exchange or quotation system, the Fair Market Value of the Common Shares will be the fair market value of the Common Shares as is determined by the Committee.

“Insider” has the meaning given to such term in TSXV Policy 1.1.

“Investor Relations Activities” has the meaning given such term in TSXV Policy 1.1 and for purpose of this Plan. Persons retained to perform Investor Relations Activities shall include any Consultant that performs Investor Relations Activities and any Employee, Officer or Director whose role and duties primarily consist of Investor Relations Activities.

“**Officers**” has the meaning given such term in TSXV Policy 4.4.

“**Participant**” or “**Participants**” has the meaning set out in Section 3.1.

“**Restricted Share Units**” or “**RSU**” means the right of an Awardee to receive one Common Share following the Vesting Period of a Unit Award, subject to the terms and provisions set forth in this Plan and the applicable Award Grant Agreement.

“**Settlement Date**” has the meaning set out in Section 4.4(3).

“**Settlement Election**” has the meaning set out in Section 4.4(3).

“**Settlement Notice**” has the meaning set out in Section 4.4(3).

“**Security Based Compensation**” has the meaning given to such term in TSXV Policy 4.4.

“**Security Based Compensation Plan**” has the meaning given to such term in TSXV Policy 4.4.

“**Subsidiary**” has the meaning given to such term in National Instrument 45-106 – Prospectus Exemptions, and any instrument in amendment thereto or replacement thereof.

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

“**TSXV Policies**” means the policies included in the TSX Venture Exchange Corporate Finance Manual and “**TSXV Policy**” means any one of them, as such policies may be amended, supplemented or replaced from time to time.

“**TSXV Policy 1.1**” means Policy 1.1 – Interpretation of the TSXV Policies, as may be amended, supplemented or replaced from time to time.

“**TSXV Policy 4.4**” means Policy 4.4 – Security Based Compensation of the TSXV Policies, as may be amended, supplemented or replaced from time to time.

“**Unit Award**” means an award of a Restricted Share Unit(s) under this Plan.

“**Vesting Date**” has the meaning set out in Section 4.4(1).

“**Vesting Period**” means the period of time which must pass before which a Unit Award entitles the Awardee to the settlement of such Restricted Share Units.

Section 2.2 Interpretation

In and for the purposes of this Plan, except as otherwise expressly provided:

- (a) “**this Plan**” means this Restricted Share Unit Plan as it may from time to time be modified, supplemented or amended and in effect;
- (b) all references in this Plan to a designated “**Article**”, “**Section**” or other subdivision is to the designated Article, Section or other subdivision of, this Plan;

- (c) the words “**herein**”, “**hereof**” and “**hereunder**” and other words of similar import refer to this Plan as a whole and not to any particular Article, Section, or other subdivision of this Plan;
- (d) the headings are for convenience only and do not form a part of this Plan and are not intended to interpret, define or limit the scope, extent or intent of this Plan or any provision hereof;
- (e) the singular of any term includes the plural, and vice versa, the use of any term is generally applicable to any gender and, where applicable, a body corporate, the word “**or**” is not exclusive and the word “**including**” is not limiting whether or not non limiting language is used; and
- (f) any reference to a statute includes such statute and the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and any statute or regulations that may supplement or supersede such statute or regulations.

Section 2.3 Governing Law

This Plan will be governed by and construed in accordance with the laws of the Province of British Columbia. The validity, construction and effect of this Plan, any rules and regulations relating to this Plan, and any determination, designation, notice, election or other document contemplated herein shall be determined in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 2.4 Severability

If any provision or part of this Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part hereof.

Section 2.5 Language

The Corporation and the Committee confirm their desire that this document and all other documents including all notices relating hereto, be written in the English language. La Corporation et les administrateurs confirment leur volonté que ce document de même que tous le documents, y compris tout avis, s’y rattachant soient rédigés en anglais.

Section 2.6 Currency

Except where expressly provided otherwise, unless the Committee determines otherwise, all references in this Plan to currency and all payments to be made pursuant hereto shall be in Canadian currency. Unless the Committee otherwise determines, any currency conversion required to be made hereunder from Canadian dollars to United States dollars, or vice versa, will be made at the Bank of Canada noon rate of exchange on the relevant day.

ARTICLE 3 ELIGIBILITY

Section 3.1 Eligibility and Participation

- (1) Subject to the terms and conditions of this Plan, any Board Guidelines or Committee Guidelines, and compliance with applicable laws and rules of the TSXV, the Committee shall have full and sole discretion in determining which Directors, Officers, Employees and

Consultants of the Corporation or its Subsidiaries may be eligible to participate in this Plan (each a **“Participant”** and together the **“Participants”**). The Corporation and the Participant are responsible for ensuring and confirming that each Participant to whom Unit Awards are to be granted is a bona fide director, officer, employee, or consultant (as the case may be) of the Corporation or its Subsidiaries. From time to time, the Committee may, in its discretion, require any Participant to execute and deliver to the Corporation an acknowledgment or confirmation in such form and in such manner as may be prescribed, specified or approved for this purpose by the Committee, signifying or confirming that the Participant has agreed to be bound by the provisions of this Plan. Unit Awards granted hereunder shall be in respect of services performed by Participants from and after the Effective Date.

- (2) Each Participant participating in this Plan shall be bound by the provisions of this Plan and shall be deemed conclusively to have accepted and consented to all terms and conditions of this Plan (including as it may be amended from time to time) and all actions or decisions made by the Board or the Committee or any person to whom the Committee may delegate administrative powers and duties hereunder, in relation to this Plan. The provisions of this Plan shall also apply to and be binding on Beneficiaries, other legal representatives, other beneficiaries and successors of each Participant.
- (3) A Participant may, by written notice or election delivered to the Corporate Secretary of the Corporation, in such form and executed and delivered in such manner as the Committee may from time to time determine, specify or approve (i) designate one or more individuals to receive the benefits payable under this Plan following the death of the Participant, and (ii) modify, alter, change or revoke any such designation, subject always to the provisions and requirements of applicable law. For greater certainty, the validity of such designation, or any such modification, alteration, change or revocation, will be subject to the laws of the jurisdiction of residence of the Participant.

Section 3.2 No Right to Hold Office

- (1) Nothing in this Plan nor any Board Guidelines, Committee Guidelines nor election made pursuant to this Plan nor any action taken hereunder shall be construed as giving any Participant the right to continue to hold office as a director, officer, employee or consultant of the Corporation or any of its Subsidiaries. Nothing in this Plan shall interfere in any way with any other right of the Corporation or any of its Subsidiaries to remove or terminate any Participant as a director, officer, employee or consultant, not nominate any Participant for election or appointment as a director of the Corporation, request that any Participant resign as a director, officer, employee or consultant or to increase or decrease the compensation of any Participant.
- (2) Nothing in this Plan, nor in any Board Guidelines, Committee Guideline nor any election made pursuant to this Plan nor any action taken hereunder shall confer on any Participant any right to have Unit Awards credited to the notional account of any Participant, except as expressly set out herein or pursuant to agreement in writing between such Participant and the Corporation, or be construed as giving any Participant, any Beneficiary or any other person the right to receive any benefits not specifically expressly provided in this Plan. The crediting of any Unit Awards to any notional account in or in respect of any fiscal or calendar year (or portion thereof) shall not obligate the Corporation to credit Unit Awards to any Participant's notional account in or in respect of any subsequent fiscal or calendar year (or portion thereof) unless such entitlement is expressly set out in an agreement in writing between such Participant and the Corporation.

Section 3.3 No Restriction on Corporate Action

Nothing contained in this Plan shall be construed to prevent the Corporation from taking any corporate action which is determined by the Board or the Committee to be appropriate or in the best interests of the Corporation, whether or not such action would have an adverse effect on this Plan or any Unit Awards granted under this Plan and no Participant nor any other person shall have any claim against the Corporation as a result of any such action.

Section 3.4 Compensation Programs

Neither the adoption of this Plan nor any Board Guidelines or Committee Guidelines nor any election made pursuant to this Plan nor any action taken hereunder shall be construed as any limitation on the power or authority of the Board or Committee, subject to Applicable Law, to (i) amend, modify, alter or suspend the compensation structure or programs of the Corporation for Participants; or (ii) adopt any compensation structure or programs, whether in replacement of, or in substitution for any other compensation structure or program, for Participants or otherwise, including the grant or awarding of any “**restricted share units**” (whether on the same terms and conditions as set out herein or otherwise), either generally or only in specific cases.

ARTICLE 4 GRANT AND SETTLEMENT OF UNIT AWARDS

Section 4.1 Grant of Unit Awards

- (1) Unit Awards may only be granted to Participants, a registered retirement savings plan or registered retirement income fund established and controlled by a Participant or a company that is wholly owned by an individual Participant and provided that the participation is voluntary.
- (2) Subject to the foregoing, the Committee shall have full and final authority to determine the Participants who are to be allocated and granted Unit Awards under this Plan.
- (3) Unless limited by the terms of this Plan or any regulatory or stock exchange requirement, the Committee shall have full and final authority to determine the terms and conditions attached to any grant of Unit Awards under this Plan. Each grant of a Unit Award shall specify the Vesting Period applicable to the Unit Award.
- (4) The date that a Unit Award is granted shall be the date such grant was approved by the Committee.
- (5) Each Unit Award granted shall entitle the Participant to receive one (1) Restricted Share Unit.
- (6) The Corporation may not grant any Unit Awards while there is an undisclosed material change or undisclosed material fact relating to the Corporation.
- (7) Any Unit Award granted under this Plan shall be subject to the requirement that, if at any time the Corporation determines that the listing, registration or qualification of the Common Shares subject to such Unit Award, or such Unit Award itself, upon any stock exchange or under any law or regulation of any jurisdiction, or the consent or approval of any stock exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Unit Award or the issuance or purchase of Common Shares thereunder, such Unit Award may not be granted, accepted or vest in

whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Committee.

Section 4.2 Vesting Period

Each Unit Award will vest on such terms as shall be specified by the Committee at the time of granting a Unit Award and such Vesting Period shall be reflected in the Award Grant Agreement. Except as otherwise provided in this Plan, no Unit Award may vest before the date that is one year following the date it is granted or issued.

Section 4.3 Grant Agreements

Each Unit Award grant to a Participant shall be evidenced by an Award Grant Agreement with terms and conditions consistent with this Plan and as approved by the Committee (which terms and conditions need not be the same in each case and may be changed from time to time, subject to this Plan, and the approval of any changes by the TSXV or such other exchange or exchanges on which the Common Shares are then traded). An employment or consulting contract containing terms respecting the grant of a Unit Award to a Participant shall be considered an Award Grant Agreement for the purpose of the Plan.

Section 4.4 Vesting and Settlement of Unit Awards

- (1) Unit Awards shall vest on the last day of a Vesting Period (such date being the “**Vesting Date**”). Once vested, Unit Awards shall be settled by the Corporation by a payment to the Participant in Common Shares in accordance with Section 4.4(3) and Section 4.4(4). Following receipt of payment, the Restricted Share Units so settled shall be of no value whatsoever and shall be struck from the Participant's notional account.
- (2) Any Common Shares issued under this Plan shall be considered as fully paid in consideration of past services rendered that are not less in value than the fair equivalent of money that the Corporation would have received if the Common Shares were issued for money.
- (3) In order to settle an RSU, the Participant shall deliver an election notice (“**Settlement Election**”) to the Corporation in the form approved by the Committee (the “**Settlement Notice**”), within thirty (30) days following the Vesting Date and specifying a date for settlement (the “**Settlement Date**”) which must be at least five (5) days following delivery of the Settlement Notice but not more than ninety (90) days after the Vesting Date (the “**Expiry Date**”) provided, however, that if the Settlement Date of an RSU occurs during a Blackout Period or when the Participant is otherwise prohibited from settling such RSU, then the Settlement Date shall be automatically extended to the ten (10th) Business Day following the end of such Blackout Period or lifting, termination or removal of such prohibition.
- (4) On the Settlement Date, RSUs will be settled by the Corporation through the delivery by the Corporation of such number of Common Shares equal to the number of Restricted Share Units then being settled. If by the Expiry Date, a Participant fails to elect to settle an RSU and has not delivered a Settlement Notice, the Participant shall be deemed to have elected to settle such RSUs on the day immediately preceding the Expiry Date for Common Shares and to receive Common Shares in respect thereof.
- (5) If settled in Common Shares, on the Settlement Date, the Corporation will cause to be delivered to the Participant a certificate or DRS advice statement in respect of such Common Shares provided that, if required by Applicable Law, a restrictive legend shall be inscribed on

the certificate or DRS advice statement, which legend shall state that the Common Shares shall not be transferable for such period as may be prescribed by law or by any regulatory authority or stock exchange on which the Common Shares are listed.

- (6) For greater certainty, no amount will be paid to, or in respect of, an Awardee under this Plan or pursuant to any other arrangement, and no additional Common Shares will be granted to such Participant to compensate for a downward fluctuation in the price of the Common Shares, nor will any other form of benefit be conferred upon, or in respect of, an Awardee for such purpose.
- (7) Notwithstanding the foregoing in this Section 4.4, no Common Shares will be issued or transferred until:
 - (a) an amount sufficient to cover the withholding taxes payable on the settlement of such RSUs has been received by the Corporation; or
 - (b) the Participant undertakes to arrange for such number of Common Shares to be sold as is necessary to raise an amount equal to such withholding taxes, and to cause the proceeds from the sale of such Common Shares to be delivered to the Corporation.

Section 4.5 Settlement After the Expiry Date

Notwithstanding any other provision of this Plan, no RSU shall be capable of settlement after the Expiry Date; provided however, that if as a result of a Blackout Period or other prohibition on settling an RSU, an RSU is not able to be settled by the Expiry Date, then the Settlement Date shall be automatically extended to the third (3rd) Business Day following the date the relevant Blackout Period or other trading restriction is lifted, terminated or removed, even if after the Expiry Date.

Section 4.6 Settlement End Date

Notwithstanding anything to the contrary in this Plan, all Unit Awards shall be settled by no later than the tenth (10th) anniversary of their date of issue, failing which all such Unit Awards shall be deemed null and void and of no further effect. Any Unit Awards granted to any Participant under this Plan shall expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under this Plan.

Section 4.7 Dividend Equivalents

- (1) Unless otherwise determined by the Committee and set forth in the Award Grant Agreement, the notional account of each Participant will be credited with additional Unit Awards ("**Dividend Equivalents**") on each dividend payment date in respect of which Dividends are paid by the Corporation on the Common Shares. Such Dividend Equivalents will be computed by dividing (i) the product obtained by multiplying the amount of the Dividend declared and paid by the Corporation on the Common Shares on a per share basis by the number of Unit Awards recorded in the Participant's notional account on the record date for the payment of such Dividend, by (ii) the Fair Market Value of a Common Share on the date the Dividend is paid by the Corporation.
- (2) For clarity, any dividend equivalents granted pursuant to Section 4.7(1) shall be included in calculating the limits set forth in Section 1.4. If the Corporation does not have a sufficient number of available Common Shares under this Plan to grant such dividend equivalents, or where the issuance of shares would result in breaching a limit on any grants or issuances contained in this Plan, the Corporation shall make such dividend payments in cash.

Section 4.8 Reorganization Adjustments

- (1) In the event of any declaration of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation or other distribution (other than normal course cash dividends) of Corporation assets to holders of Common Shares or any other similar corporate transaction or event, which the Committee determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Participants under this Plan, then, subject to any relevant resolutions of the Board (if required in the opinion of the Corporation's counsel), the Committee, in its sole discretion, and without liability to any person, shall appropriately and equitably adjust the number of Common Shares available under this Plan, and the Common Shares subject to any Unit Award, and such adjustment shall be effective and binding for all purposes of this Plan.
- (2) Notwithstanding the foregoing, any change or adjustment shall be subject to Section 4.4(6).
- (3) The Corporation shall give notice to each Participant in the manner determined, specified or approved by the Committee of any change or adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes.
- (4) The Committee may from time to time adopt rules, regulations, policies, guidelines or conditions with respect to the exercise of the power or authority to make changes or adjustments pursuant to Section 4.8(1). The Committee, in making any determination with respect to changes or adjustments pursuant to Section 4.8(1), shall be entitled to impose such conditions as it considers or determines necessary in the circumstances, including conditions with respect to satisfaction or payment of all applicable taxes (including, but not limited to, withholding taxes).
- (5) The existence of outstanding Unit Awards shall not affect in any way the right or power and authority of the Corporation or its shareholders to make or authorize any alteration, recapitalization, reorganization or any other change in the Corporation's capital structure or its business or any merger, amalgamation, combination or consolidation of or involving the Corporation, or to create or issue any bonds, debentures, shares or other securities of the Corporation, or the rights and conditions attaching thereto, or to amend the terms and conditions or rights and restrictions thereof (ranking ahead of the Common Shares or otherwise), or any right thereto, or to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business or any other corporate act or proceeding, whether of a similar nature or character or otherwise.
- (6) Notwithstanding any other provision of this Plan, any adjustment to a Unit Award granted or issued under this Plan, except in relation to a consolidation or stock split, is subject to the prior approval of the TSXV.

Section 4.9 Rights Following Ceasing to Hold Office

Without limiting the generality of Section 3.2, nothing in this Plan nor any Board Guidelines, Committee Guidelines nor any election made pursuant to this Plan nor any action taken hereunder shall be construed to provide any Participant with any rights whatsoever to continued participation in this Plan, or to compensation or damage in lieu of participation or the right to participate in this Plan upon the Participant ceasing to be, or hold office as, a director, officer, employee or consultant or

other form of eligible engagement with the Corporation or any of its Subsidiaries for any reason. Subject to the provisions of any employment or consulting agreement between the Corporation or any of its Subsidiaries and any Participant, (i) a Participant shall not be entitled to any compensation or damages in lieu of participation or the right to participate in this Plan in consequence of the termination of the Participant's office or position with the Corporation or any of its Subsidiaries for any reason, and (ii) if any Participant retires, resigns or otherwise ceases to be a Participant of the Corporation or any of its Subsidiaries for any reason (including being removed as a director, with or without cause or notice), in no event will the Participant have any right to damages in respect of any loss of any right whatsoever to continued participation in this Plan and no severance allowance, retirement allowance or termination settlement of any kind in respect of such Participant will include or reflect any claim for such loss of right and no Participant will have any right to assert, claim, seek or obtain, and shall not assert, claim, seek or obtain, any judgment or award in respect of or which includes or reflects any such right or claim for loss of such right.

Section 4.10 No Rights as Holder of Common Shares

For greater certainty, nothing in this Plan, the Board Guidelines, the Committee Guidelines nor any election made pursuant to this Plan nor any action taken hereunder shall confer on any Participant any claim or right to be issued Common Shares, on account of Unit Awards credited to the Participant's notional account or otherwise, and under no circumstances will Unit Awards confer on any Participant any of the rights or privileges of a holder of Common Shares including, without limitation, the right to exercise any voting rights, dividend entitlement, rights of liquidation or other rights attaching to ownership of Common Shares, unless and until Common Shares are issued to and registered in the name of such Participant or his/her nominee.

ARTICLE 5 ADMINISTRATION OF PLAN

Section 5.1 Administration

Unless otherwise determined by the Board or as otherwise specified herein:

- (1) this Plan will be administered by the Committee; and
- (2) the Committee will have full power and authority to administer this Plan and exercise all the powers and authorities granted to it under this Plan or which it, in its discretion, considers necessary or desirable in the administration of this Plan including, but not limited to, the authority to:
 - (a) construe and interpret any provision hereof and decide all questions of fact arising in connection with such construction and interpretation; and
 - (b) make such determinations and take all steps and actions as may be directed or permitted by this Plan and take such actions or steps in connection with the administration of this Plan as the Committee, in its discretion, may consider or determine are necessary or desirable.

Section 5.2 Delegation

- (1) The Committee, in its discretion, may delegate or sub-delegate to the Corporation, any director, officer or employee of the Corporation or any third party service provider which may be retained from time to time by the Corporation, such powers and authorities to administer this Plan and powers and authorities and responsibilities in connection with the

administration of this Plan or administrative functions under this Plan and to act on behalf of the Committee and in accordance with the determinations of the Committee and Committee Guidelines to administer this Plan and implement decisions of the Committee and the Board as the Committee may consider desirable and determine the scope of such delegation or sub-delegation in its discretion.

- (2) Subject to the power and authority of the Board or Committee as set out herein, and any Board Guidelines or Committee Guidelines from time to time established and in effect, the executive officers of the Corporation shall have power and authority to administer this Plan, under the authority of the Committee, as its delegate, and have power to make recommendations to the Committee as to the exercise of its powers and authority hereunder.

Section 5.3 Employment of Agents

The Corporation may from time to time employ persons to render advice with respect to this Plan and appoint or engage accountants, lawyers or other agents, including any third-party service provider or personnel it may consider necessary or desirable for the proper administration of this Plan. Without limiting the generality of the foregoing, the Corporation may appoint or engage any administrator or administrative agent as the Committee may approve from time to time to assist in the administration of this Plan and to provide record keeping, statement distribution and communication support for this Plan.

Section 5.4 Record Keeping

The Corporation shall keep, or cause to be kept, accurate records of all transactions hereunder in respect of Participants and Unit Awards credited to any Participant's notional account. The Corporation may periodically make or cause to be made appropriate reports to each Participant concerning the status of the Participant's notional account in such manner as the Committee may determine or approve and including such matters as the Committee may determine or approve from time or as otherwise may be required by Applicable Laws.

Section 5.5 Board Guidelines

The Board, in its discretion, may from time to time adopt, establish, approve, amend, suspend, rescind, repeal or waive such rules, regulations, policies, guidelines and conditions ("**Board Guidelines**") in relation to the administration of this Plan as the Board, in its discretion, may determine are desirable, within any limits, if applicable, imposed under Applicable Laws.

Section 5.6 Committee Guidelines

Subject to the exercise by the Board of the powers and authority of the Board as set out herein, and the Board Guidelines from time to time established and in effect, the Committee may from time to time adopt, establish, amend, suspend, rescind, repeal or waive such rules, regulations, policies, guidelines and conditions ("**Committee Guidelines**") for the administration of this Plan, including prescribing, specifying or approving forms or documents relating to this Plan, as the Committee, in its discretion, may determine are desirable, within any limits, if applicable, imposed under Applicable Laws, including, without limitation, in order to comply with the requirements of this Plan or any Board Guidelines or in order to conform to any law or regulation or to any change in any law or regulation applicable to this Plan.

Section 5.7 Interpretation and Liability

- (1) Any questions arising as to the interpretation and administration of this Plan may be

determined by the Committee. Absent manifest error, the Committee's interpretation of this Plan, and any determination or decision by the Board or the Committee and all actions taken by the Board or the Committee or any person to whom the Committee may delegate administrative duties and powers hereunder, pursuant to the powers vested in them, shall be conclusive and binding on all parties concerned, including the Corporation and each Participant and his or her Beneficiaries and legal representatives. The Committee may correct any defect, supply any omission or reconcile any inconsistency in this Plan in such manner and to such extent as the Committee may determine is necessary or advisable. The Committee may as to all questions of accounting rely conclusively upon any determinations made by the auditors or accountants of the Corporation.

- (2) Neither the Board, the Committee, nor any member thereof, nor any officer, employee or other representative of the Corporation, nor any third party service provider which may be retained from time to time by the Corporation in connection with the administration of this Plan or administrative functions under this Plan, nor any officer, employee, agent or other representative of any such service provider, shall be liable for any act, omission, interpretation, construction or determination made in good faith in connection with this Plan and the Board, the Committee, their members and the officers and employees and agents and other representatives of the Corporation and any such third party service provider (and any agents or nominees thereof) shall be entitled to indemnification by the Corporation in respect of any claim, loss, damage or expense (including legal fees and disbursements) arising therefrom to the fullest extent permitted by law.
- (3) The directors, and members of the Committee, may fully participate in voting and in other deliberations or proceedings of the Board or Committee, respectively, in respect of this Plan, notwithstanding (i) the obligations of the directors to participate in this Plan; and (ii) that the directors may hold Unit Awards granted pursuant to this Plan.

Section 5.8 Legal Compliance

- (1) The administration of this Plan shall be subject to compliance with Applicable Laws and the rules and regulations of all applicable regulatory authorities, including but not limited to the TSXV.
- (2) Without limiting the generality of the foregoing or any other provision hereof, the Corporation may require such documentation or information from Participants (including personal information), and take such actions (including disclosing or providing such documentation or information to others), as the Committee or any executive officers of the Corporation may from time to time determine are necessary or desirable to ensure compliance with all applicable laws and legal requirements, including all Applicable Laws and any applicable provisions of the *Income Tax Act* (Canada) and the rules and authority thereunder, or income tax legislation of any other jurisdiction, as the same may from time to time be amended, the terms of this Plan and any agreement, indenture or other instrument to which the Corporation is subject or is a party.
- (3) Each Participant, by signing an acknowledgement to participate in the Plan, shall be conclusively deemed to have acknowledged and agreed that the Participant will, at all times, act in strict compliance with Applicable Laws and all other rules and policies of the Corporation, including any insider trading policy of the Corporation in effect at the relevant time, applicable to the Participant in connection with this Plan and will furnish to the Corporation all information and documentation or undertakings as may be required to permit compliance with Applicable Laws.

- (4) Without limiting the generality of the foregoing, to the extent possible, Applicable Laws may impose reporting or other obligations on the Corporation or Participants in relation to this Plan, which requirements may, for example, require the Corporation or Participants to identify holders of Unit Awards, or report the interest of Participants in Unit Awards. In addition, to assist Participants with their reporting obligations and to communicate information about awards to the market, the Corporation may (but shall not be obliged to) disclose the existence and material terms of this Plan and Unit Awards credited hereunder in information circulars or other publicly filed documents and file issuer grant reports in respect of awards of Unit Awards pursuant to insider reporting requirements under Applicable Laws.
- (5) Each Participant shall provide the Corporation with all information (including personal information) and undertakings as may be required in connection with the administration of this Plan and compliance with Applicable Laws and applicable provisions of income tax laws. The Corporation may from time to time disclose or provide access to such information to any administrator, administrative agent or other third party service provider that may be retained from time to time by the Corporation, in connection with the administration of this Plan or administrative functions under this Plan and, by participating in this Plan, each Participant acknowledges, agrees and consents to information being disclosed or provided to others as contemplated in this Section 5.8.

Section 5.9 Compliance with Income Tax Requirements

- (1) In taking any action hereunder, or in relation to any rights hereunder, the Corporation and each Participant shall comply with all provisions and requirements of any income tax legislation or regulations of any jurisdiction which may be applicable to the Corporation or Participant, as the case may be.
- (2) The Corporation may withhold, or cause to be withheld, and deduct, or cause to be deducted, from any payment to be made under this Plan, or any other amount payable to a Participant, a sufficient amount to cover withholding of any taxes required to be withheld by any Canadian or foreign federal, provincial, state or local taxing authorities or other amounts required by law to be withheld in relation to awards and payments contemplated in this Plan.
- (3) The Corporation may adopt and apply such rules and requirements and may take such other action as the Board or Committee may consider necessary, desirable or advisable to enable the Corporation and any third party service provider (and their agents and nominees) and any Participant to comply with all federal, provincial, foreign, state or local laws and obligations relating to the withholding of tax or other levies or compensation and pay or satisfy obligations relating to the withholding or other tax obligations in relation to Unit Awards (including Dividend Equivalents) distributions or payments contemplated under this Plan.
- (4) Each Participant (or the Participant's Beneficiary or legal representatives) shall bear any and all income or other tax imposed on amounts paid or distributed to the Participant (or the Participant's Beneficiary or legal representatives) under this Plan. Each Participant (or the Participant's Beneficiary or legal representatives) shall be responsible for reporting and paying all income and other taxes applicable to or payable in respect of Unit Awards credited to the Participant's notional account (including Unit Awards credited as Dividend Equivalents).
- (5) Notwithstanding any other provision of this Plan, any Board Guidelines or Committee Guidelines or any election made pursuant to this Plan, the Corporation does not assume any responsibility for the income or other tax consequences for Participants under this Plan or in

respect of amounts paid to any Participant (or the Participant's Beneficiary or legal representatives) under this Plan.

- (6) If the Board or Committee or any executive officer so determines, the Corporation shall have the right to require, prior to making any payment under this Plan, payment by the recipient of the excess of any applicable Canadian or foreign federal, provincial, state, local or other taxes over any amounts withheld by the Corporation, in order to satisfy the tax obligations in respect of any payment under this Plan.
- (7) If the Corporation does not withhold from any payment, or require payment of an amount by a recipient, sufficient to satisfy all income tax obligations, the Participant (or the Participant's Beneficiary or legal representatives) shall make reimbursement, on demand, in cash, of any amount paid by the Corporation in satisfaction of any tax obligation.
- (8) The obligations of the Corporation to make any payment under this Plan shall be subject to currency or other restrictions imposed by any government or under any Applicable Laws.

Section 5.10 Unfunded Obligation

The obligation to make payments that may be required to be made under this Plan will be an unfunded and unsecured obligation of the Corporation. This Plan, or any provision hereunder, shall not create (or be construed to create) any trust or other obligation to fund or secure amounts payable under this Plan in whole or in part and shall not establish any fiduciary relationship between the Corporation (or the Board, the Committee, or any other person) and any Participant or any other person. Any liability of the Corporation to any Participant with respect to any payment required to be made under this Plan shall constitute a general, unfunded, unsecured obligation, payable solely out of the general assets of the Corporation, and no term or provision in this Plan, the Board Guidelines, the Committee Guidelines nor any election made pursuant to this Plan nor any action taken hereunder shall be construed to give any person any security, interest, lien or claim against any specific asset of the Corporation. To the extent any person, including a Participant, holds any rights under this Plan, such rights shall be no greater than the rights of an unsecured general creditor of the Corporation.

Section 5.11 Amendment, Suspension, Termination

- (1) Subject to the TSXV Policies, the Board or Committee may from time to time amend this Plan in any manner without the consent or approval of any Participant. For greater certainty, without limiting the generality of the foregoing, the Board or Committee may amend this Plan as they consider necessary or appropriate to ensure this Plan continues to qualify for certain desirable tax treatment under relevant jurisdiction. Notwithstanding any other provision of this Plan, no consent to any amendment, suspension or termination of this Plan that adversely affects Unit Awards previously granted shall be required if such amendment, suspension or termination is considered by the Committee, on the advice of counsel, to be necessary or desirable to avoid adverse tax consequences to certain Participants under relevant tax legislation or regulations.
- (2) Unless required by Applicable Laws, subject to Section 5.11(1), no such amendment shall adversely affect the rights of any Participant at the time of such amendment with respect to Unit Awards credited to such Participant's notional account at the time of such amendment without the consent of the affected Participant.
- (3) The Board or Committee may at any time and from time to time suspend, in whole or in part, or terminate, this Plan.

- (4) If the Board terminates this Plan, no new Unit Awards will be granted to any Participant, but previously granted Unit Awards shall remain outstanding, be entitled to Dividend Equivalents as provided under Section 4.7, and be settled in accordance with the terms and conditions of this Plan existing at the time of termination. This Plan will finally cease to operate for all purposes when the last remaining Participant receives payment in satisfaction of all Unit Awards recorded in such Participant's notional account. The full powers of the Board and the Committee as provided for in this Plan will survive the termination of this Plan until the last remaining Participant receives payment in satisfaction of all Unit Awards recorded in such Participant's notional account.

Section 5.12 Costs

Unless otherwise determined by the Board or Committee, the Corporation will be responsible for all costs relating to the administration of this Plan.

Section 5.13 No Assignment

- (1) Subject to the right of a Participant to designate one or more Beneficiaries entitled to receive benefits under this Plan upon the death of the Participant as expressly set out herein, unless the Board or Committee specifically determines otherwise, no Participant may assign or transfer any right or interest under this Plan or any right to payment or benefit under this Plan, whether voluntarily or involuntarily, by operation of law (including in the event of bankruptcy or insolvency) or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy, except to the extent otherwise required by Applicable Laws, and except by will or by the laws of succession or descent and distribution. Except as required by law, the right to receive a payment or benefit under this Plan is not capable of being subject to attachment or legal process for the payment of any debts or obligations of any Participant.
- (2) Except as hereafter provided, during the lifetime of a Participant, amounts payable under this Plan to a Participant shall be payable only to such Participant. In the event of death of a Participant, any amount payable under this Plan shall be paid to the Beneficiaries or personal representatives of such Participant and any such payment shall be a complete discharge of the Corporation therefor. In the event a Participant is incapable of managing the Participant's own affairs by reason of mental infirmity, any amount payable under this Plan may be paid to the person charged or appointed by law to administer the Participant's affairs.

Section 5.14 Fractions

No fractional Common Shares will be issued pursuant to a Unit Award under this Plan. Accordingly, if, as a result of any adjustment permitted under this Plan, Dividend Equivalents or otherwise, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Common Shares and no payment or other adjustment will be made with respect to the fractional Common Shares, which shall be disregarded.