



**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE  
ANNUAL GENERAL AND SPECIAL MEETING OF  
THE SHAREHOLDERS**

**to be held on January 30, 2025**  
at 9:00 a.m. (Pacific Time)

**Dated December 16, 2024**

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*



## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an Annual General and Special Meeting (the “**Meeting**”) of the shareholders (collectively, the “**Shareholders**”) of Apollo Silver Corp. (the “**Company**”) will be held at Suite 710 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, on Thursday, January 30, 2025, at 9:00 a.m. (Pacific Time) for the following purposes:

1. to receive the annual audited consolidated financial statements of the Company for the financial years ended November 30, 2023 and 2022, together with the report of the auditors thereon and the related management’s discussion and analysis;
2. to set the number of directors at five (5) for the ensuing year;
3. to elect five (5) directors for the ensuing year, each as further described in the accompanying management information circular of the Company dated December 16, 2024 (the “**Circular**”);
4. to re-appoint Davidson & Company LLP as auditors for the ensuing year and to authorize the directors to fix their remuneration; and
5. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution approving the new Omnibus Incentive Plan, as more particularly described in the Circular.

The board of directors of the Company has fixed the close of business on Monday, December 16, 2024, as the record date, being the date for the determination of the registered holders of common shares in the capital of the Company (the “**Common Shares**”) entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof.

If you are a registered shareholder of the Company and are unable to attend the Meeting, please read the accompanying Circular and vote on the matters before the Meeting by proxy, by completing and signing the enclosed form of proxy and returning it in the postage-paid envelope provided for that purpose. **To be valid, proxies must be received at the office of the Company’s transfer agent, Endeavor Trust Corporation by fax (604) 559-8908, or by mail to Suite 702, 777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1S4, or by email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com) no later than January 28, 2025 at 9:00 a.m. (Pacific Time), or 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjournment or postponement thereof, at which the form of proxy is to be used.**

As set out in the notes to the Circular, the enclosed form of proxy is solicited by management of the Company, but you may amend it, if you so desire, by striking out the names listed on it and inserting in the space provided the name of the person you wish to have represented you at the Meeting.

**Beneficial shareholders (i.e., shareholders who do not hold Common Shares in their own name)** should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (i.e., those shareholders whose names appear on the records of the Company as the registered holders of Common Shares) as of the record date. If you are a non-registered shareholder of the Company and received this notice of Meeting and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing, that holds your securities on your behalf (each,

an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

For further details, please see the headings entitled “*Part 1 - General Proxy Information*” in the accompanying Circular.

#### **Notice-and-Access**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of proxy-related materials to registered and beneficial Shareholders.

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (including management information circulars), financial statements of the Company and related management discussion and analysis (“**MD&A**”) via the System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) and one other website, rather than mailing paper copies of such materials to their shareholders.

Electronic copies of this notice of the Meeting, the Circular, the audited financial statements of the Company for the financial year ended November 30, 2023, together with the report of the auditors thereon, and the related MD&A, may be found on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and the Company’s website at [www.apollosilver.com](http://www.apollosilver.com) as of December 31, 2024. Shareholders may request a paper copy of the Circular and the above noted documents be sent to them by contacting the Company as set out under the heading entitled “*Part 1 - General Proxy Information – Notice-and-Access*” in the accompanying Circular.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain Shareholders with the notice package.

For further details, please see the heading entitled “*Part 1 – Voting – Notice-and-Access*” in the accompanying Circular.

**SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.**

**DATED** at Vancouver, British Columbia, Canada as of the 16<sup>th</sup> day of December 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF APOLLO SILVER CORP.**

*“Andrew Bowering”*

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**Andrew Bowering**

Interim President and CEO

*“Rona Sellers”*

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**Rona Sellers**

Corporate Secretary

## INFORMATION CIRCULAR

as at December 16, 2024

(except as otherwise indicated)

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Apollo Silver Corp. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders (collectively, the “**Shareholders**”) to be held on January 30, 2025, at the time and place and for the purposes set forth in the accompanying notice of the Meeting (the “**Notice of Meeting**”).

In this Circular, references to: (i) “**Company**”, “**we**” and “**our**” refer to Apollo Silver Corp; (ii) “**Common Shares**” means common shares without par value in the capital of the Company; (iii) “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name; and (iv) “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. Unless otherwise indicated, all dollar amounts referenced herein are expressed in Canadian dollars.

### PART 1 - GENERAL PROXY INFORMATION

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#### Solicitation of Proxies

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. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors and/or officers of the Company (the “**Designated Persons**”). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the Designated Persons named in the Proxy, who need not be a shareholder of the Company, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### Voting by Proxyholder

The Designated Persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors, unless a vacancy in the slate of nominees otherwise arises;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter identified in the Notice of Meeting for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

## **REGISTERED SHAREHOLDERS**

A shareholder (a “**Registered Shareholder**”) whose name appears on the certificate(s) representing the Common Shares as of the Record Date is entitled to notice of, and to vote, at the Meeting. Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders may choose one of the following options to submit their Proxy:

- (a) Complete, date and sign the Proxy and return it to the Company’s transfer agent, Endeavor Trust Corporation (“**Endeavor**”), by fax (604) 559-8908, or by mail to Suite 702, 777 Hornby Street, Vancouver, British Columbia Canada V6Z 1S4, or by email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com).
- (b) Use the internet through the website of the Company’s transfer agent at [www.eproxy.ca](http://www.eproxy.ca). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder’s account number and the control number.

In all cases the Registered Shareholder must ensure the Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment or postponement thereof, at which the Proxy is to be used.

## **BENEFICIAL SHAREHOLDERS**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (being, those shareholders whose names appear on the records of the Company as the registered holders of Common Shares) as of the record date or as set out in the following disclosure.

Beneficial Shareholders fall into two (2) 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 provisions of NI 54-101 (as defined below), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents and use this NOBO list for distribution of “proxy-related materials” (as such term is defined in NI 54-101) directly to NOBOs.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder’s broker or an agent of that broker. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States (the “**U.S.**”), 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and in the United States. Broadridge mails a voting instruction form (a “**VIF**”) in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than any of the persons designated in the VIF to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

#### **Notice to United States Shareholders**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (“**BCA**”), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under

its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Endeavor, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned or postponed, the last business day that precedes any reconvening thereof, or to the chairperson of the Meeting on the day of the Meeting or any reconvening thereof; or

- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Notice-and-Access**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for distribution of proxy-related materials to Registered Shareholders and Beneficial Shareholders.

Under the Notice-and-Access Provisions, instead of receiving printed copies of the Circular, Registered Shareholders and Non-Registered Shareholders will receive the Notice of Meeting with information on the Meeting date, location, and purpose, as well as information on how they may access the Circular electronically and how they may vote. Electronic copies of the Notice of Meeting, the Circular, the audited financial statements of the Company for the financial year ended November 30, 2023, together with the report of the auditors thereon, and the related MD&A may be found on the Company's profile on the Canadian System for Electronic Documents Analysis and Retrieval (“**SEDAR+**”) at [www.sedarplus.ca](http://www.sedarplus.ca) and the Company's website at [www.apollosilver.com](http://www.apollosilver.com) as of December 31, 2024.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain shareholders with the notice package.

The Company will assume the costs of delivery of proxy-related materials for the Meeting to OBOs.

## **PART 2 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the “**Board**”) of the Company has fixed December 16, 2024, as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company's Common Shares are listed on the TSX Venture Exchange (“**TSXV**”) under stock symbol “**APGO**”.

The Company is authorized to issue an unlimited number of Common Shares without par value.

As of December 16, 2024, there were 242,193,729 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares. The Company has no other classes of voting securities.

Under the BCA, ordinary resolutions must be passed by a simple majority, that is, if more than half of the votes that are cast by shareholders at the Meeting are in favour, then the resolution is passed. Under the BCA, special resolutions must be passed by a majority of not less than two-thirds of the votes cast by shareholders in favour. In the event a motion proposed at the Meeting requires disinterested shareholder approval, Common Shares held by shareholders of the Company who have an interest in the subject matter, will be excluded from the count of votes cast on such motion.

To the best knowledge of the directors and executive officers of the Company, there are no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the date of this Circular.

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### **PART 3 – THE BUSINESS OF THE MEETING**

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#### **FINANCIAL STATEMENTS**

The annual audited consolidated financial statements of the Company for the financial years ended November 30, 2023 and 2022 (the “**Financial Statements**”), the report of the auditor thereon and the related management’s discussion and analysis were filed under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) on February 29, 2024. The Financial Statements and the report of the auditor thereon will be received at the Meeting, but no vote will be taken on the Financial Statements and the report of the auditor thereon.

#### **FIXING THE NUMBER OF DIRECTORS**

##### **Number of Directors**

At the Meeting, shareholders will be asked and, if deemed advisable, to pass, with or without variation, an ordinary resolution fixing the number of directors at five (5) for the ensuing year.

Approval of this resolution will be obtained if a majority of the votes cast are in favour thereof.

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF FIXING THE NUMBER OF DIRECTORS AT FIVE (5).**

#### **ELECTION OF DIRECTORS**

##### **Nominees for Election**

The term of office of each of the current directors of the Company will expire at the Meeting. There are currently five (5) directors, all of whom will be standing for re-election at the Meeting.

Management is proposing that the following five (5) current nominees (each a “**Nominee**” collectively, the “**Nominees**”) named in the table below, be nominated for election as directors at the Meeting.

Each of the Nominees, if elected, will hold office until the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the BCA or he or she becomes disqualified to act as a director.



The following table sets out the names of the five (5) Nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each Nominee's principal occupation, business or employment, during the past five (5) years, and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

<b>Name of Nominee, Current Position with the Company and Province/State and Country of Residence</b>	<b>Principal Occupation for the Past Five Years</b>	<b>Director Since</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>Andrew William Bowering<sup>(4)</sup></b> Chairman, Interim President and CEO British Columbia, Canada	President of Bowering Projects since 1993; Executive Advisor and director of Prime Mining Corp., April 24, 2019, to present.	Since May 4, 2020	12,566,937 <sup>(2)</sup>
<b>Steven Thomas<sup>(3)(4)</sup></b> Independent Director Ontario, Canada	CFO and Co. Secretary of Mountain Province Diamonds, February 2022 to present; CFO and director Franchise Global Health Inc., 2021 to 2022; CFO of Torex Gold from 2018 to 2020;	Since September 24, 2021	Nil
<b>Jocelyn Thompson<sup>(3)</sup></b> Independent Director California, USA	Ms. Thompson is currently retired. Previously, Ms. Thompson was a partner at Alston and Bird LLP.	Since November 8, 2021	Nil
<b>Collette Brown-Rodriguez</b> Independent Director Arizona, USA	Director, Community & Tribal Relations at Avantus, March 2022 to present; Tribal Affairs Director at South32, 2019 to 2022; Manager Strategic Community Development at Freeport-McMoRan, 2015 to 2019.	Since June 10, 2022	Nil
<b>Alexander Tsakumis<sup>(3)(4)</sup></b> Independent Director British Columbia, Canada	Interim CEO and a director of American Lithium Corp. since September 2024; Vice President, Investor Relations at Prime Mining Corp. from August 2020 to October 2023.	Since October 3, 2024	Nil

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Of the 12,566,937 Common Shares held by Mr. Bowering, 12,391,937 Common Shares are held by him directly and 175,000 Common Shares are held indirectly through Bowering Projects Ltd., a company wholly-owned and controlled by Mr. Bowering.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee.

## **Management Nominees Biographies**

### ***Andrew William Bowering, Chairman, Interim President & CEO, and Director***

Andrew Bowering is a venture capitalist with 35 years of operational experience and leadership in mineral exploration and development worldwide. He has founded, funded, and built teams that have operated numerous companies in the pursuit of precious base and industrial metals from early exploration through

to production. Mr. Bowering is currently an Executive Advisor and director of Prime Mining Corp. and the Chairman of American Lithium Corp. Mr. Bowering has served as an officer or director of public companies on the TSXV, the Toronto Stock Exchange, NASDAQ and the American Stock Exchange. His recent endeavors include Millennial Lithium Corp, and American Lithium Corp, in addition to Prime Mining Corp.

***Steven Thomas, Independent Director***

Steven Thomas has over 30 years of international corporate finance experience. Mr. Thomas is currently CFO and Co. Secretary of Mountain Province Diamonds Inc. Prior to joining Mountain Province Diamonds Inc., Mr. Thomas served as CFO of Franchise Global Health (2021 to 2022), CFO of Torex Gold Resources Inc. (2018 – 2020), CFO of Goldcorp Canada Ltd. (2016 - 2018), CFO of De Beers Canada Inc. (2006 – 2016), Head of Finance De Beers Diamond Trading Co. (2003- 2006), and CFO of Aquarion Inc. (2000 – 2003).

Mr. Thomas is a graduate of the University of Wales (Joint Hons Accountancy & Economics), and a Fellow of the Institute of Chartered Accountants (FCA).

***Jocelyn Thompson, Independent Director***

Ms. Thompson has over 40 years of experience representing private and public companies. Ms. Thompson is recognized for her experience in resource project permitting and environmental governance and stewardship in California, U.S. and adjacent states.

Ms. Thompson is a former partner at Alston and Bird LLP, a member of the State Bar of California, and a member (inactive) of the State Bar of Texas.

***Collette Brown-Rodriguez, Independent Director***

Ms. Brown-Rodriguez has over 20 years of experience as a project management and program development leader focused on tribal affairs. Ms. Brown-Rodriguez has been integral to executing complex problem solving, resource management, and establishing organizational cohesion to engage tribes across North America. She has experience in uranium mine reclamation, coal, oil & gas, and base metals mining operations and project development.

Ms. Brown-Rodriguez is a member of the Confederated Salish Kootenai Tribe and descendant of the Navajo Nation. She holds a Bachelor's in Environmental Science and an MBA from the University of Arizona.

***Alexander Tsakumis, Independent Director***

Mr. Tsakumis is a public markets specialist with over 25 years of experience in the mining industry, spanning from exploration to production. He has represented resource companies listed on major stock exchanges, including TSX and Nasdaq, with expertise in investor relations, finance, and corporate governance. Currently, he serves as the Interim CEO of American Lithium Corp. and previously held senior positions, including Vice President of Investor Relations at Prime Mining Corp., Belcarra Group Inc., Alio Gold/Timmins Gold as well as being a founding director of Magna Gold Corp.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Common Shares represented by proxy for the election of any other persons as directors.

## Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Other than as noted below, no proposed Nominee for election as a director of the Company is as of the date of this Circular, or has been within the past 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) 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
- (d) has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

On March 3, 2023, Mr. Tsakumis was a Director of Magna Gold Corp. (“Magna”) when it filed a Notice of Intention to make a Proposal under the *Bankruptcy and Insolvency Act* (Canada) which provides creditor protection while corporations seek to restructure their affairs. As a result of the foregoing, the TSXV transferred trading of Magna’s common shares to the NEX Board of the TSXV (the “**NEX Board**”) effective at the opening of market on March 8, 2023. On March 27, 2023, Magna was granted an order (the “**Order**”) pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on application by Magna seeking court protection from its creditors to allow it to restructure its business and property as a going concern. The Order, among other things, provided a stay of proceedings (the “**Stay of Proceedings**”) barring all creditors from taking action to recover debts owed by Magna during the stay period. As a result of the foregoing, the TSXV suspended trading of Magna’s common shares on the NEX Board. The Stay of Proceedings was granted until April 6, 2023, and extended by the Court until November 15, 2023. Magna was unable to finalize a plan of compromise or arrangement with its creditors by November 15, 2023. Accordingly, on November 21, 2023, pursuant to a further order of the Court, the CCAA protections and proceedings, as they applied to Magna, were terminated. Mr. Tsakumis resigned as a director and officer of Magna on April 4, 2024.

Other than noted below, no proposed Nominee of the Company has been:

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

Mr. Andrew Bowering is a director of Plateau Energy Metals Inc. (“**Plateau**”) which was subject to a cease trade order issued by the Ontario Securities Commission (“**OSC**”) on June 1, 2022 as a result of failure to

file audited annual financial statements for the year-ended September 30, 2021, along with interim financial statements for the periods ended March 31, 2021, June 30, 2021, December 31, 2021 and March 31, 2022. Plateau is a wholly-owned subsidiary of American Lithium Corp. Mr. Bowering joined the board of directors of Plateau on May 11, 2021, at the request of American Lithium Corp., following its acquisition of Plateau. Following the acquisition, Plateau applied to the OSC for an order to cease reporting on the basis that American Lithium Corp. was now the sole shareholder. The OSC was ultimately unable to consent to the application at the time due to the existence of share purchase warrants which were still outstanding in Plateau and as a result issued a cease trade order. The financial results of Plateau are now made publicly available by American Lithium Corp., on a consolidated basis.

Plateau completed a settlement with the OSC on November 2, 2022, a copy of which is available here ([https://www.capitalmarkettribunal.ca/sites/default/files/2022-11/rad\\_20221102\\_plateau\\_energy\\_0.pdf](https://www.capitalmarkettribunal.ca/sites/default/files/2022-11/rad_20221102_plateau_energy_0.pdf)). The settlement addressed allegations made by the OSC with respect to disclosure made by Plateau in 2019.

Mr. Bowering was a Director of Plateau at the time of the settlement, but had no involvement with Plateau at the time the relevant disclosure arose or the allegations were made.

### **Advance Notice Provisions**

At the Company's annual general and special meeting held on September 26, 2014, the shareholders of the Company approved the adoption of new Company's articles, which new Articles include advance notice provisions (the "**Advance Notice Provision**").

The Advance Notice Provision provides shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Company's Articles were filed under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) on January 23, 2015.

None of the proposed Nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above Nominees, vote for some of the above Nominees and withhold for other of the above Nominees, or withhold for all of the above Nominees.

**Only persons nominated by management pursuant to this Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF THE ELECTION OF EACH OF THE ABOVE NOMINEES AS DIRECTORS OF THE COMPANY, TO SERVE FOR A TERM THAT WILL EXPIRE UPON THE**

**EARLIER OF THE NEXT ANNUAL MEETING OF SHAREHOLDERS OF THE COMPANY OR UPON THEIR SUCCESSOR BEING DULY ELECTED OR APPOINTED.**

**APPOINTMENT AND REMUNERATION OF AUDITORS**

Management of the Company recommends the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as auditors for the Company to hold office until the earlier of the next annual general meeting of the shareholders of the Company or their removal by the Company, at remuneration to be fixed by the Board.

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF SUCH RE-APPOINTMENT.**

**APPROVAL OF THE OMNIBUS INCENTIVE PLAN**

On December 13, 2024, the Board approved a new omnibus incentive plan (the “**Omnibus Incentive Plan**”), subject to Shareholder approval at the Meeting, pursuant to which it is able to issue share-based long-term incentives. The Omnibus Incentive Plan will replace the Company’s previous Share Option Plan and supplements the Company’s cash-based incentive compensation arrangements.

The new Omnibus Incentive Plan is a ten (10%) percent rolling plan, and the text of the Omnibus Incentive Plan is attached to this Circular as Schedule “A”.

The following is a summary of certain provisions of the Omnibus Incentive Plan and is subject to, and qualified in its entirety by, the full text of the Omnibus Incentive Plan.

**Participation Limits**

The Omnibus Incentive Plan provides that:

- (a) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Common Shares that are issuable pursuant to all Security Based Compensation (as defined below) granted or issued to insiders (as a group) must not exceed 10% of the Common Shares of the Issuer at any point in time;
- (b) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to insiders (as a group), at any time, must not exceed 10% of the Common Shares, calculated as at the date any Security Based Compensation is granted or issued to any insider;
- (c) the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to any one person (and any companies that are wholly owned by that person) must not exceed 5% of the Common Shares, calculated as at the date an any Security Based Compensation is granted or issued to the person);
- (d) the maximum aggregate number of Common Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to any one consultant must not exceed 2% of the Common Shares, calculated as at the date any Security Based Compensation is granted or issued to such consultant;

- (e) investor relations service providers may not receive any Security Based Compensation, other than options to purchase Common Share (each, an “**Option**”);
- (f) Upon expiry of an Option, or in the event an Option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated Option shall again be available for the purposes of the Omnibus Incentive Plan. All Options granted under the Omnibus Incentive Plan may not have an expiry date exceeding ten (10) years from the date on which the Board grants and announces the granting of the Option; and
- (g) any Security Based Compensation granted or issued to any Participant under the Omnibus Incentive Plan who is a director, officer, employee, consultant or management company employee must expire within a reasonable period, not exceeding 12 months, following the date such (as defined below) ceases to be an eligible Participant under the Omnibus Incentive Plan.

### **Administration of the Omnibus Incentive Plan**

The Omnibus Incentive Plan shall be administered by the Board and the Board has full authority to administer the Omnibus Incentive Plan, including the authority to interpret and construe any provision of the Omnibus Incentive Plan and to adopt, amend and rescind such rules and regulations for administering the Omnibus Incentive Plan as the Board may deem necessary in order to comply with the requirements of the Omnibus Incentive Plan, applicable law or the requirements of the TSXV or other regulatory body.

### **Eligible Persons under the Omnibus Incentive Plan**

When used in connection with the grant of Options, all officers, directors, employees, management company employees and consultants of the Company are eligible to participate in the Omnibus Incentive Plan. When used in connection with the grant of restricted share unit (each, a “**RSU**”) and deferred share unit (each, a “**DSU**”) and collectively with the RSUs, “**Performance-Based Awards**”), all officers, directors, employees, management company employees and consultants of the Company that do not perform investor relations activities are eligible to participate in the Omnibus Incentive Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant to the Omnibus Incentive Plan will be determined in the sole and absolute discretion of the Board. Each person who receives a grant under the Omnibus Incentive Plan is referred to as a “**Participant**”.

### **Types of Awards**

Awards of Options, RSUs and DSUs (collectively, “**Security Based Compensation**”) may be made under the Omnibus Incentive Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the Omnibus Incentive Plan and will generally be evidenced by a grant agreement.

### ***Options***

An Option entitles a holder thereof to purchase a prescribed number of Common Shares at an exercise price determined by the Board at the time of the grant of the Option, provided that the exercise price of an Option granted under the Omnibus Incentive Plan shall not be less than the Discounted Market Price (as defined in the policies of the TSXV (“**TSXV Policies**”)), provided that if an Option is proposed to be granted by the Company after the Company has just been recalled for trading following a suspension or halt, the Company must wait at least ten trading days since the day on which trading in the Company’s securities resumes before setting the exercise price for and granting the Option. Each Option shall, unless sooner

terminated, expire on a date to be determined by the Board which will not exceed ten (10) years from the date of grant of the Option. The Board may, in its absolute discretion, upon granting Options under the Omnibus Incentive Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Common Shares and may designate different exercise prices and numbers of Common Shares in respect of which each Participant may exercise Options during each respective time period. Subject to the discretion of the Board, the Options granted to a Participant under the Omnibus Incentive Plan shall vest as determined by the Board on the date of grant of such Options. Options issued to persons conducting investor relations activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that:

- (1) no more than 1/4 of the Options vest no sooner than three months after the date of grant (the “**Grant Date**”);
- (2) no more than another 1/4 of the Options vest no sooner than six months after the Grant Date;
- (3) no more than another 1/4 of the Options vest no sooner than nine months after the Grant Date; and
- (4) the remainder of the Options vest no sooner than 12 months after the Grant Date.

If the grant agreement for the grant of Options so provides, in the event of a Change of Control (as defined in the Omnibus Incentive Plan), all Options granted to a Participant that ceases to be an eligible person shall become fully vested and shall become exercisable by the Participant in accordance with the terms of such grant agreement and the Omnibus Incentive Plan.

Other than as may be set forth in the grant agreement for the grant of Options, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant’s death, have not vested, will immediately vest in the estate of such Participant and all Options granted to such Participant which, prior to the Participant’s death, had been granted to such Participant pursuant to the terms of the applicable Grant agreement will accrue to the Participant’s estate in accordance with Omnibus Incentive Plan and may be exercised by the Participant’s estate within one year of the death of the Participant.

Where a Participant’s relationship with the Company is terminated by the Company or a subsidiary for cause, all Options granted to the Participant under the Omnibus Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant’s relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, such that the Participant no longer qualifies as an eligible person, all Options granted to the Participant under the Omnibus Incentive Plan that have not vested will, unless the applicable grant agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the Participant’s termination without cause, voluntary termination, voluntary resignation or Retirement, had vested pursuant to the terms of the applicable grant agreement will accrue to the Participant in accordance with the Omnibus Incentive Plan and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an eligible person, or such longer period as may be provided for in the grant agreement or as may be determined by the Board provided such period does not exceed 12 months after the termination date.

Where a Participant becomes afflicted by a disability, all Options granted to the Participant under the Omnibus Incentive Plan will continue to vest in accordance with the terms of such Options; provided,

however, that no Options may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all Options granted to the Participant under this Plan that have not vested will, unless the applicable grant agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the termination of the Participant's relationship with the Company due to disability, had vested pursuant to terms of the applicable grant agreement, will accrue to the Participant in accordance with the Omnibus Incentive Plan and shall be exercisable by such Participant for a period of 90 days following the date the termination date, or such longer period as may be provided for in the grant agreement or as may be determined by the Board.

### ***Restricted Share Units***

A RSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, and subject to the terms and conditions of the Omnibus Incentive Plan and the applicable grant agreement, and which may be paid in cash and/or Common Shares. The number of RSUs to be credited to each participant shall be determined by the Board in its sole discretion in accordance with the Omnibus Incentive Plan. All RSUs will vest and become payable by the issuance of Common Shares at the end of the restriction period if all applicable restrictions have lapsed, as such restrictions may be specified in the grant agreement.

RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable grant agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time a RSU is granted. The Board shall determine any vesting terms applicable to the grant of RSUs, however, no RSUs may vest before the date that is one (1) year following the date of the award.

If the grant agreement so provides, in the event of a Change of Control (as defined in the Omnibus Incentive Plan) and the Participant ceases to be an eligible person, all restrictions upon any RSUs held by such Participant shall lapse immediately and all such RSUs shall become fully vested in such Participant in accordance with the Omnibus Incentive Plan.

Other than as may be set forth in the applicable grant agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable grant agreement will accrue to the Participant's estate in accordance with the Omnibus Incentive Plan.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to death or retirement by the Participant, all RSUs granted to the Participant under the Omnibus Incentive Plan that have not vested will, unless the applicable grant agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever;



provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable grant agreement will accrue to the Participant in accordance with the Omnibus Incentive Plan.

Dividend Equivalents (as defined in the Omnibus Incentive Plan) may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Shares on the relevant record date, provided that any such Dividend Equivalents must be payable in cash to the extent the issuance of Shares would exceed the limitations set forth under TSXV Policies or any other limitations prescribed by the Omnibus Incentive Plan.

In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company's account.

As soon as practicable after each vesting date of a RSU, the Company shall, at the sole discretion of the Board, either: (a) issue to the Participant from treasury the number of Common Shares equal to the number of RSUs that have vested; (b) make a cash payment in an amount equal to the Market Value (as defined in the Omnibus Incentive Plan) on the date of settlement of the RSUs; or (c) a combination of (a) and (b), net of applicable withholdings.

### ***Deferred Share Units***

A DSU is a right granted to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the Omnibus Incentive Plan and the applicable grant agreement, and which may be paid in cash and/or Common Shares. DSUs may not be granted to any Participant performing investor relation activities.

Subject to the provisions of the Omnibus Incentive Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of DSUs to directors in lieu of such Participant's Annual Base Compensation (as defined in the Omnibus Incentive Plan) or to other eligible persons as compensation for employment or consulting services. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the Omnibus Incentive Plan. The number of DSUs shall be specified in the applicable grant agreement. Each director may elect to receive any or all of his or her Annual Base Compensation in DSUs under this Plan.

The number of DSUs shall be calculated by dividing the amount of Annual Base Compensation selected by a director by the Market Value on the grant date (or such other price as required under TSXV Policies). Any fractional DSU shall be rounded down and no payment or other adjustment will be made with respect to the fractional DSU.

No Deferred Share Units may vest before the date that is one year following the date of the award of the DSU.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all DSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to death or retirement

by the Participant, all DSUs granted to the Participant under the Omnibus Incentive Plan that have not vested will, unless the applicable grant agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any DSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable grant agreement will accrue to the Participant in accordance with the Omnibus Incentive Plan.

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's account on the same basis as cash dividends declared and paid on Common Shares as if the Participant was a shareholder of record of Common Shares on the relevant record date, provided that any such Dividend Equivalents must be payable in cash to the extent the issuance of Common Shares would exceed the limitations set forth under TSXV Policies or any other limitations prescribed by the Omnibus Incentive Plan.

## **General Provisions of the Omnibus Incentive Plan**

### ***Non-Transferability***

No Option or Performance-Based Award and no right under any such Option or Performance-Based Award shall be assignable, alienable, saleable, or transferable by a participant otherwise than by will or by the laws of descent and distribution and only then if permitted by TSXV Policies. No Option or Performance-Based Award and no right under any such Option or Performance-Based Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

### ***Black-out Periods***

In the event that the date provided for expiration, redemption or settlement of an award falls within a blackout period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed material information, the expiry date, redemption date or settlement date, as applicable, of the award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the blackout period which shall occur promptly following general disclosure of the undisclosed material information. Notwithstanding the foregoing, there will be no extension of any award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law).

### ***Deductions***

Whenever cash is to be paid in respect of DSUs or RSUs, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. If an event giving rise to the withholding obligation involves an issuance or delivery of Common Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Common Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or determined by the Company as appropriate.

Notwithstanding the foregoing, the applicable tax withholdings may be waived where a Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in

circumstances to which subsection 100(3) of the regulations made under the *Income Tax Act* (Canada) apply.

### ***Amendments to the Omnibus Incentive Plan***

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of Shareholders, amend, suspend, terminate or discontinue the Omnibus Incentive Plan and may amend the terms and conditions of any Options or Performance-Based Awards granted hereunder, subject to:

- (a) any required disinterested shareholder approval to:
  - (i) increase to the maximum number of Common Shares issuable under the Omnibus Incentive Plan (either as a fixed number or fixed percentage of the issued and outstanding Common Shares), except in the event of an adjustment pursuant to Article 7 of the Omnibus Incentive Plan;
  - (ii) any amendment that extends the term of Options beyond the original expiry date that benefits an insider of the Company;
  - (iii) any amendment which extends the expiry date of any Award, or the Restriction Period (as defined in the Omnibus Incentive Plan), or the Performance Period (as defined in the Omnibus Incentive Plan) of any RSU beyond the original expiry date or Restriction Period or Performance Period, that benefits an insider of the Company;
  - (iv) except in the case of an adjustment pursuant to Article 7 of the Omnibus Incentive Plan, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price; and
  - (v) any amendment which increases the maximum number of Common Shares that may be: (i) issuable any one person in any twelve month period which exceeds 5% of the issued and outstanding Common Shares on the date of Award; (ii) issuable to insiders at any time; or (iii) issued to Insiders under the Omnibus Incentive Plan and any other proposed or established Share Compensation Arrangement (as defined in the Omnibus Incentive Plan) in a one-year period, except in case of an adjustment pursuant to Article 7 of the Omnibus Incentive Plan.
- (b) any required approval of any applicable regulatory authority or the Exchange; and
- (c) any approval of Shareholders as required by TSXV Policies or applicable law, provided that Shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to (except that the TSXV may require approval of the Shareholders for amendments pursuant to Sections C to G below):
  - (i) amendments of a “housekeeping nature” or for the purpose of curing any ambiguity, error or omission in the Omnibus Incentive Plan or to correct or supplement any provision of the Omnibus Incentive Plan that is inconsistent with any other provision of the Omnibus Incentive Plan; and
  - (ii) amendments which are necessary to comply with applicable law or the requirements of the TSXV.

## **Term**

The Omnibus Incentive Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in the Omnibus Incentive Plan.

## **Obtaining a copy of the Plan**

A copy of the Omnibus Incentive Plan is attached as Schedule “A” to the Company’s information circular dated December 16, 2024 and filed on the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and is available for review at Cozen O’Connor LLP, the registered offices of the Company, at Bentall 5, 550 Burrard Street, Suite 2501, Vancouver, BC, V6C 2G5 during normal business hours up to and including the date of the Meeting.

## ***The Omnibus Incentive Plan Resolution***

TSXV Policies require that the Company obtain approval of Shareholders for the adoption of any security-based compensation plans which contain provisions which replenish available room under the plan upon the exercise of awards, which is the case with the Omnibus Incentive Plan. At the Meeting, Shareholders will be asked to pass the following Ordinary Resolution to approve the Omnibus Incentive Plan (the “**Omnibus Incentive Plan Resolution**”), substantially in the following form:

### **“BE IT RESOLVED THAT AS AN ORDINARY RESOLUTION THAT:**

- (1) the Omnibus Incentive Plan, in substantially the form as attached as Schedule “A” to the Circular of the Company dated December 16, 2024, be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the TSXV, as the Directors of the Company may deem necessary and advisable;
- (2) in connection therewith, a maximum of 10% of the issued and outstanding Common Shares of the Company at the time of each grant of awards be and are hereby approved for granting upon the exercise of such awards; and
- (3) the directors of the Company be authorized to perform all such other acts and things as may be necessary or desirable to effect the adoption of the Omnibus Incentive Plan; and that the directors of the Company be authorized to implement or abandon these resolutions in whole or in part, at any time and from time to time in their sole discretion, all without further approval, ratification or confirmation by shareholders.”

**Management recommends that Shareholders approve the Omnibus Incentive Plan Resolution.** If the Omnibus Incentive Plan Resolution is approved by Shareholders, the Board will have the authority, in their sole discretion, to implement or revoke the Omnibus Incentive Plan Resolution and otherwise implement or abandon the Omnibus Incentive Plan.

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF THE OMNIBUS INCENTIVE PLAN RESOLUTION.**

### *Securities Issued and Unissued under the Previous Share Option Plan*

As at December 16, 2024, there are 242,193,729 Common Shares of the Company issued and outstanding. Pursuant to the previous Share Option Plan and based on the current outstanding Common Shares of the Company, Common Shares reserved for issuance under the previous Share Option Plan are as follows:

	<b>Number of Common Shares</b>	<b>% of Issued and Outstanding Shares<sup>(1)</sup></b>
Outstanding Securities Awarded: Common Shares reserved for future issuance pursuant to issued and unexercised stock options	7,400,000	3.06%
Remaining Securities Available for Grant: Unissued Shares available for future option grants	16,819,372	6.94%
Plan Maximum: Maximum number of Common Shares available for issuance	24,219,372	10.0%

Notes:

(1) Calculated on an undiluted basis, based on 242,193,729 outstanding Common Shares of the Company.

## **PART 4 - AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires the Company to disclose annually in its management information circular certain information concerning the constitution of its audit committee (the “**Audit Committee**”) in connection with the solicitation of proxies by management for the purpose of electing directors to the Board.

### **The Audit Committee’s Charter**

The Audit Committee is governed by an “Audit Committee Charter”, the full text of which is attached as Schedule “B” to this Circular.

### **Composition of the Audit Committee**

The Audit Committee is comprised of three directors: Messrs. Thomas, Tsakumis and Ms. Thompson. Mr. Thomas serves as the Audit Committee Chair.

All three members of the Audit Committee are “independent” within the meaning of NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. “Material relationship” means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. In making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

All of the Audit Committee members are “financially literate” within the meaning of NI 52-110, as all have: (i) the industry experience necessary to reasonably understand the accounting principles used by the Company; (ii) an ability to assess the general application of such principles in connection of the accounting for estimates, accruals and reserves; (iii) experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting.

## **Relevant Education and Experience**

All of the Audit Committee members are businesspersons with experience in financial matters. Each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavor.

In addition, each member of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their experience as directors and/or officers of public companies and non-profit companies, other than the Company.

Each member of the Audit Committee had adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

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

## **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year ended November 30, 2024 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## **Reliance on Certain Exemptions**

Other than as described below, at no time since the commencement of the Company's most recently completed financial year ended November 30, 2024 has the Company relied on an exemption from the provisions of NI 52-110. The Company's auditor, Davidson & Company LLP, Chartered Professional Accountants, has not provided any material non-audit services to the Company.

The Company is relying on the exemption provided by Section 6.1 of NI 52-110, which provides that the Company, as a "venture issuer", is exempt 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 has adopted specific policies and procedures for the engagement of non-audit services, as set out in the Company's Audit Committee Charter, the full text of which is attached as Schedule "B" to this Circular.

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Davidson & Company LLP, Chartered Professional Accountants for audit and non-audit services in the two financial years ending November 30, 2023 and November 30, 2022, as outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended November 30, 2023	Fees Paid to Auditor in Year Ended November 30, 2022
Audit Fees <sup>(1)</sup>	\$69,000	\$66,000
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$26,000	\$12,000
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
<b>Total</b>	<b>\$95,000</b>	<b>\$78,000</b>

**Notes:**

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits. For the year ended November 30, 2023, the Company incurred \$48,000 related to its annual audit, and \$18,000 related to its quarterly reviews. For the year ended November 30, 2022, the Company incurred \$48,000 related to its annual audit and \$18,000 related to its quarterly reviews.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

## PART 5 - CORPORATE GOVERNANCE

National Policy 58-201 – *Corporate Governance Guidelines* (“**NI 58-101**”) has set out a series of guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 requires the Company to disclose certain information with respect to the Company’s approach to corporate governance in connection with the solicitation of proxies by management for the purpose of electing directors to the Board.

The Board has adopted the board mandate attached as Schedule “C” hereto, clarifying responsibilities and ensuring effective communication between the Board and management of the Company.

Set out below is a description of the Company’s approach to corporate governance in relation to the Guidelines.

### Board of Directors

NI 58-101 defines the “independence” of directors with reference to NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgment.

The Board facilitates its independent supervision over management of the Company through frequent meetings of the Board and by ensuring that at least one director is independent of management. At the date of this Circular, the Board is comprised of five members, one of whom is not independent and four of whom are independent. The non-independent member of the Board is Andrew Bowering (Interim President & Chief Executive Officer). The independent directors of the Company at the date of this Circular are Steven Thomas, Jocelyn Thompson, Alexander Tsakumis and Collette Brown-Rodriguez.

The Board believes that it functions independently of management. To enhance its ability to act independently of management, the Board may meet in the absence of the members of management or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises, or where otherwise appropriate.

## Directorships

Certain of the directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Andrew William Bowering	American Lithium Corp.	TSXV/NASDAQ/FRA
	Prime Mining Corp.	TSX/OTCQX
	Gstaad Capital Corp.	NEX
	NexGold Mining Corp.	TSXV/OTCQX/FRA
Alexander Tsakumis	Kapa Gold Inc.	TSXV
	American Lithium Corp.	TSXV/NASDAQ/FRA

## Orientation and Continuing Education

While the Company currently has no formal orientation and education program for new Board members, sufficient information (such as recent financial statements, prospectuses, proxy solicitation materials, technical reports, corporate policies and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Company's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Company encourages new directors 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 properties. Board members have full access to the Company's records.

## Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a formal written Code of Business Conduct and Ethics which addresses the Company's commitment to integrity and ethical behaviour. The Company has also adopted a Whistleblower Policy which provides the procedure for the receipt of complaints and concerns of the employees of the Company regarding accounting and auditing matters related to the Company. A copy of the Code of Business Conduct and Ethics and the Whistleblower Policy may be obtained, without charge, upon request to the Company's Corporate Secretary at [info@apollosilver.com](mailto:info@apollosilver.com) or through the Company's website at [www.apollosilver.com](http://www.apollosilver.com).



## **Nomination of Directors**

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

The Company does not have a stand-alone nomination committee. The Board is responsible, among other things, for recommending candidates for nomination, appointment, election and re-election to the Board and its committees, and for annually assessing Board performance. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

## **Compensation**

Please refer to the heading in this Circular entitled "*Part 6 – Statement of Executive Compensation - Oversight and Description of Director and Named Executive Officer Compensation*" for a description of the process by which the Board determines the compensation for the Company's directors and officers and for a description of the responsibilities, powers and operations of the Compensation Committee.

## **Other Board Committees**

At the date of this Circular, the Board has no other active committees other than the Audit Committee and the Compensation Committee.

## **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and Audit Committee. No formal policy has been established to monitor the effectiveness of each director, the Board and the Audit Committee.

The Board has assessed the Company's incentive plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Company's long-term incentives, which include stock options, comprise a significant portion of the executives' compensation package, and are intended to align the executive compensation with the interest of the Company's shareholders.

The Board intends to continue such risk assessments on an annual basis and also considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its Named Executive Officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its Named Executive Officers or directors. To the knowledge of the Company, none of the Named Executive Officers or directors has purchased such financial instruments.

## Directors' and Officers' Liability Insurance

The Company maintains liability insurance for the directors and officers of the Company. The Company's policy of insurance is currently in effect until September 2025. An annual premium of \$19,275 has been paid by the Company. No portion of the premium is directly paid by any of the directors or officers of the Company. The aggregate insurance coverage under the policy for both directors and officers is limited to \$10,000,000 with no deductible. No claims have been made or paid to date under such policy.

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## PART 6 - STATEMENT OF EXECUTIVE COMPENSATION

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For the purposes of this section:

- (a) **“CEO”** means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) **“CFO”** means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (c) **“Director”** means an individual who acted as a director of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (d) **“compensation securities”** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries; and
- (e) **“named executive officer”** or **“NEO”** means each of the following individuals:
  - (i) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
  - (ii) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
  - (iii) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
  - (iv) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

During the financial year ended November 30, 2024, based on the definition above, the NEOs of the Company were: Thomas Peregoodoff, former President, CEO and Director, Andrew Bowering, Chair and Interim President & CEO, and Christopher Cairns, CFO.

## Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company, for each of the Company's two (2) most recently completed financial years ended November 30, 2024 and 2023:

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, or retainer <sup>(1)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites <sup>(11)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Thomas Peregoodoff</b> <sup>(2)</sup> former President, CEO and Director	2024	173,250	Nil	Nil	Nil	Nil	173,250
	2023	346,500	Nil	Nil	Nil	Nil	346,500
<b>Christopher Cairns</b> <sup>(3)</sup> Chief Financial Officer	2024	146,000	Nil	Nil	Nil	Nil	146,000
	2023	164,500	Nil	Nil	Nil	Nil	164,500
<b>Andrew William Bowering</b> <sup>(4)</sup> Interim President & CEO and Chair of the Board	2024	46,666 <sup>(4)</sup>	Nil	Nil	Nil	Nil	80,000
	2023	80,000 <sup>(12)</sup>	Nil	Nil	Nil	Nil	
<b>Steven Thomas</b> <sup>(5)</sup> Director	2024	55,000	Nil	Nil	Nil	Nil	55,000
	2023	55,000 <sup>(12)</sup>	Nil	Nil	Nil	Nil	
<b>Jocelyn Thompson</b> <sup>(6)</sup> Director	2024	45,000	Nil	Nil	Nil	Nil	45,000
	2023	45,000 <sup>(12)</sup>	Nil	Nil	Nil	Nil	
<b>Collette Brown-Rodriguez</b> <sup>(7)</sup> Director	2024	45,000	Nil	Nil	Nil	Nil	45,000
	2023	45,000 <sup>(12)</sup>	Nil	Nil	Nil	Nil	
<b>Alexander Tsakumis</b> <sup>(8)</sup> Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Simon Patrick Clarke</b> <sup>(9)</sup> Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	24,375	Nil	Nil	Nil	Nil	24,375

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, or retainer <sup>(1)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites <sup>(11)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
Sean Bromley <sup>(10)</sup> Former Director	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	24,375	Nil	Nil	Nil	Nil	24,375

Notes:

- (1) Effective November 1, 2021, the Board passed a resolution providing for an annual retainer of \$45,000 for each non-executive Board member (excluding Chairpersons), an annual retainer of \$75,000 for the Chair of the Board, an annual retainer of \$55,000 for the Chair of the Audit Committee, and an annual retainer of \$5,000 for the Chair of any other committees, payable quarterly in arrears.
- (2) Mr. Peregoodoff retired effective June 30, 2024.
- (3) Mr. Cairns was appointed CFO of the Company on September 7, 2021, and as of April 15, 2023, allocates his time between the Company and another arm's length public company.
- (4) Mr. Bowering serves as Chair of the Board. Mr. Bowering's fees for the year ended November 30, 2023 included an annual retainer of \$5,000 for chairing the Compensation Committee, as described in (1) above. Mr. Bowering was appointed as interim President and CEO effective July 1, 2024, and ceased to collect any retainer as at that date. Mr. Bowering currently does not receive a monthly salary for fee for his role as interim President and CEO.
- (5) Mr. Thomas was appointed to the Board on September 4, 2021, and has served as Chair of the Audit Committee since January 7, 2022.
- (6) Ms. Thompson is a non-executive Board member and was appointed to the Board on November 8, 2021.
- (7) Ms. Brown-Rodriguez is a non-executive Board member and was appointed to the Board on June 10, 2022.
- (8) Mr. Tsakumis is a non-executive Board member and was appointed to the Board on October 3, 2024.
- (9) Mr. Clarke served as a director of the Company until June 15, 2023, as he did not stand for re-election at the Annual General and Special Meeting of shareholders held on June 15, 2023.
- (10) Mr. Bromley served as a director of the Company until June 15, 2023, as he did not stand for re-election at the Annual General and Special Meeting of shareholders held on June 15, 2023.
- (11) Perquisites have not been included, as they do not reach the prescribed value threshold of 10% or more of the total salary of the NEO's for the financial year.
- (12) On October 26, 2023, the Board agreed to temporarily defer payment of future director retainers. The director retainer fees continued to accrue until they were settled on November 30, 2024. The values recorded above for the year ended November 30, 2023, include amounts of \$40,000 for Mr. Bowering, \$27,500 for Mr. Thomas, \$22,500 for Ms. Brown-Rodriguez and \$22,500 for Ms. Thompson, which were not paid until the year ended November 30, 2024.

### Outstanding Compensation Securities

The following table discloses the particulars of the outstanding option-based awards to the NEOs, and directors of the Company who were not NEOs, pursuant to the previous Share Option Plan at the financial year ended November 30, 2024:

Compensation Securities							
Name and position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class <sup>(2)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date

<b>Andrew Bowering</b> Chair of the Board, Interim President and CEO	Options	350,000 (0.14%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.23	Nov. 15, 2027
		500,000 (0.21%)	July 19, 2021	\$0.86	\$0.86	\$0.23	July 19, 2026
		500,000 (0.21%)	May 4, 2020	\$0.33	\$0.325	\$0.23	May 4, 2025
<b>Thomas Peregoodoff</b> <sup>(3)</sup> Former President, CEO and Director	Options	650,000 (0.27%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.23	Nov.15, 2027
		750,000 (0.31%)	July 19, 2021	\$0.86	\$0.86	\$0.23	July 19, 2026
<b>Christopher Cairns</b> <sup>(4)</sup> CFO	Options	350,000 (0.14%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.23	Nov.15, 2027
		350,000 (0.14%)	July 19, 2021	\$0.86	\$0.86	\$0.23	July 19, 2026
<b>Steven Thomas</b> <sup>(5)</sup> Director	Options	200,000 (0.08%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.23	Nov. 15, 2027
		250,000 (0.10%)	Sept. 24, 2021	\$0.82	\$0.125	\$0.23	Sept. 24, 2026
<b>Jocelyn Thompson</b> <sup>(6)</sup> Director	Options	150,000 (0.06%)	Nov.15, 2022	\$0.125	\$0.125	\$0.23	Nov.15, 2027
		250,000 (0.10%)	Nov. 8, 2021	\$0.71	\$0.71	\$0.23	Nov. 8, 2026
<b>Collette Brown-Rodriguez</b> <sup>(7)</sup> Director	Options	200,000 (0.08%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.23	Nov. 15, 2027
<b>Alexander Tsakumis</b> <sup>(4)</sup> Director	Options	100,000 (0.04%)	July 19, 2021	\$0.86	\$0.86	\$0.23	July 19, 2026

Notes:

- (1) All Share Options granted on November 15, 2022 vest over a twenty-four (24) month period, with one-third of the Options vesting on the grant date, with a further one-third vesting after twelve (12) months, and the balance after twenty-four (24) months.
- (2) Percentage based on 242,193,729 Common Shares issued and outstanding as at November 30, 2023.
- (3) Mr. Peregoodoff was appointed President, CEO, and Director on May 1, 2021. Mr. Peregoodoff retired effective June 30, 2024.
- (4) Mr. Cairns was appointed CFO on September 7, 2021.
- (5) Mr. Thomas was appointed to the Board on September 4, 2021.
- (6) Ms. Thompson was appointed to the Board on November 8, 2021.
- (7) Ms. Brown-Rodriguez was appointed to the Board on June 10, 2022.
- (8) Mr. Tsakumis was appointed to the Board on October 3, 2024.

### Exercise of Compensation Securities by NEOs and Directors

No compensation securities were exercised by any NEO, or a Director who was not an NEO during the financial year ended November 30, 2024.

### Omnibus Incentive Plan

See the heading in this Circular entitled “*Part 3 – The Business of the Meeting – Approval of the Omnibus Incentive Plan*” for a summary of the Omnibus Incentive Plan.

### Employment, Consulting and Management Agreements

#### Christopher Cairns

Mr. Cairns was appointed as CFO on September 7, 2021. Mr. Cairns’ employment agreement (the “**Cairns Agreement**”) with the Company entitles him to an annual base salary of \$200,000 and was increased to

\$210,000 effective March 1, 2022 (the “**Base Salary**”). In April 2023, the Company entered into an arrangement with a third-party company, whereby, Mr. Cairns would split his time as CFO of both companies, and Apollo would be reimbursed for a pro-rata portion of his Base Salary.

The Cairns Agreement may be terminated by the Company at any time, and for any reason whatsoever if the Company elects to provide Mr. Cairns with pay in lieu of working notice. This payment will be in an amount equal to the pro-rata share of the Cairns Base Salary for the portion of the 12 month notice period that the Company elects to provide Mr. Cairns with pay in lieu of working notice, and the Company will pay this amount to Mr. Cairns as a lump sum payment at the time the Mr. Cairns ceases to be provided with working notice.

If a Change of Control (as defined below) occurs, Mr. Cairns may terminate the Cairns Agreement in connection with such Change of Control by providing the Company with 30 days’ notice in writing, within 90 days after the Change of Control has been effected. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Mr. Cairns terminates the Cairns Agreement as a consequence of a Change of Control, the Company will pay Mr. Cairns an amount equal to twelve (12) months of the Cairns Base Salary. The Company will pay this amount to Mr. Cairns as a lump sum payment at the time the 30 days’ notice in writing has expired.

Mr. Cairns may also terminate the Cairns Agreement for “Good Reason” (as defined in the Cairns Agreement) by providing the Company with 10 days’ notice in writing. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Mr. Cairns terminates the Cairns Agreement for Good Reason, the Company will pay Mr. Cairns an amount equal to 12 months of the Cairns Base Salary. The Company will pay this amount to Mr. Cairns as a lump sum payment at the time the 10 days’ notice in writing has expired.

“Change of Control”, as defined in the Cairns Agreement, means the occurrence of any of the following events:

- (i) a merger or acquisition in which the Company is not the surviving entity; except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; or
- (ii) the sale, transfer, or other disposition of all or substantially all the assets of the Company; or
- (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completing within 12 months.

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

### *Objectives of Compensation Program*

The Board recognizes that the Company’s performance depends on the quality of its directors and executives. To achieve its operating and financial objectives, the Company must attract, motivate and retain highly skilled directors and executives who are able and capable of managing the Company’s operations and carrying out the objectives of the Company. The Board further recognizes that there must be a link between compensation and business strategy and that remuneration at the Company should be comparable with that offered by companies of comparable size operating in the mineral exploration and development

industry in order to ensure that the Company can retain its executives and promote a culture aimed at achieving its business objectives.

### *Compensation Philosophy and Goals*

The Board has the responsibility of overseeing the Company's compensation program. The Board delegates certain oversight responsibilities to the compensation committee ("**Compensation Committee**"), when the Compensation Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based Omnibus Incentive Plans and the review and approval of Compensation Committee recommendations.

Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Compensation Committee bases its recommendations to the Board on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention needs. In the normal course, the Company's total compensation package is comprised of three principal elements: salary, bonus and equity incentives.

The Company has not yet developed a formal executive compensation program; however, in implementing its compensation philosophy the Compensation Committee and the Board are mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

### *Role of the Compensation Committee*

The Board established a Compensation Committee on October 24, 2022. The Compensation Committee is presently comprised of three directors: Messrs. Tsakumis, Thomas, and Bowering. Mr. Tsakumis serves as the Compensation Committee Chair.

The Compensation Committee establishes and reviews the Company's overall compensation philosophy and its general compensation policies with respect to directors and executive officers. The Compensation Committee evaluates each executive officer's performance and based on its evaluation, makes recommendations to the Board regarding the salary, bonus, long-term incentives and other benefits for such officer. In determining compensation matters, the Compensation Committee and the Board may consider a number of factors, including the Company's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years, and other factors it considers relevant. The Company does not use a peer group to determine executive compensation.

The Compensation Committee also administers and makes recommendations to the Board with respect to the previous Share Option Plan and the new Omnibus Incentive Plan, subject to compliance with applicable securities law, stock exchange and other regulatory requirements. In this regard, the Compensation Committee has the authority to retain such independent advisors as it may deem necessary or advisable for its purposes.

The Compensation Committee will meet with the CEO at least once annually to discuss management's corporate goals for the forthcoming year, and to complete the annual review of the CEO's performance. The Compensation Committee also works with the CEO to evaluate the performance and set the compensation, including proposed salary adjustments and awards, for the other NEOs.

### **Compensation Review Process**

The Compensation Committee is responsible for the Company's compensation policies and practices. The Compensation Committee has the responsibility to review and make recommendations to the Board concerning the compensation of the Named Executive Officers. The Compensation Committee also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the previous Share Option Plan and the new Omnibus Incentive Plan. The Board reviews and approves the hiring of executive officers.

The Board, acting on the recommendation of the Compensation Committee, has assessed the Company's Omnibus Incentive Plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

The Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to an executive officer's compensation, evaluating the executive officer's performance in light of those goals and objectives and making recommendations with respect to the executive officer's future compensation, based on the evaluation.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the previous Share Option Plan and the new Omnibus Incentive Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. The Board determines the number of stock options to be awarded under the Omnibus Incentive Plan. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. Stock options are granted to reward individuals for current performance, expected future performance and value to the Company. The size of awards made subsequent to the commencement of employment takes into account stock options already held by the individual.

### **Compensation of Board Members and Named Executive Officers**

Compensation for each of the Board members and each of the NEOs is approved by the Board as a whole. Base cash compensation and variable cash compensation levels are based, in part, on assessing appropriate compensation being paid to peer group companies at a similar stage of development.

The Board has not proceeded with a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board does not believe that the Company's compensation



program results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

The Company has not established a policy on whether or not an NEO or director is permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

#### Philosophy and Objectives

The compensation program for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

The Company relies solely on the discussions of the Board, without any formal objectives, criteria and analysis, for determining executive compensation.

#### **Elements of Executive Compensation Program**

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Omnibus Incentive Plan.

#### Base Salary or Consulting Fees

The primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for retaining qualified executive officers. The amount payable to an executive officer as base salary is determined primarily by the number of years of experience, personal performance, and by comparisons to the base salaries and total compensation paid to executives of comparable publicly-traded companies within the mineral exploration sector in North America.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the mineral exploration sector in North America which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and

- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

### **Bonus Payments**

Each of the executive officers, as well as all employees, are eligible for an annual bonus, payable in cash or through incentive securities. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash flow and share price performance) and operational criteria (such as significant mineral property acquisitions, resource growth and the attainment of corporate milestones).

### **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the long term incentive plan in place at the time. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of stock options previously granted, base salary and bonuses and competitive factors. The amounts and terms of stock options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board, acting on the recommendation of the Compensation Committee, continues to review and redesign the overall Omnibus Incentive Plan for senior management so as to continue to address the objectives identified above.

### **Risks Associated with the Company's Compensation Practices**

The Board, acting on the recommendation of the Compensation Committee, if applicable, assesses the Company's long term incentive plan and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing such plans and programs.

### **Benefits and Perquisites**

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a parking allowance or a fee for each Board or Committee meeting attended, to assist with their out-of-pocket expenses.

### **Pension Plan Benefits**

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

## **PART 7 - SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

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The previous Share Option Plan is the only equity incentive plan of the Company under which securities are authorized for issuance.

### **Equity Compensation Plan Information**

The following table sets forth information with respect to the securities of the Company that are authorized for issuance under the previous Share Option Plan, as at the end of the Company's most recently completed financial year ended November 30, 2024:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of securities remaining available for future issuance under equity Omnibus Incentive Plans (excluding securities reflected in the second column of this table)</b>
Equity compensation plans approved by securityholders (the previous Share Option Plan)	7,400,000	\$0.46	16,819,372 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>7,400,000</b>	<b>\$0.46</b>	<b>16,819,372</b>

Notes:

- (1) Calculated based upon 10% of an aggregate of 242,193,729 Common Shares issued and outstanding as of November 30, 2024, less the aggregate of 7,400,000 stock options outstanding under the previous Share Option Plan.

## **PART 8 - INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

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No director, executive officer, or proposed nominee for election as a director of the Company, or their respective associates or affiliates, is or, since the beginning of the last completed financial year of the Company, was indebted to or guaranteed or supported by the Company, either pursuant to an employee stock purchase program or otherwise.

## **PART 9 - INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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For the purposes of this section, “**informed person**” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and

- (d) the Company, if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Other than disclosed in this Circular, to the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year ended November 30, 2024 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

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#### **PART 10 - MANAGEMENT CONTRACTS**

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Except as otherwise disclosed in this Circular, the management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

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#### **PART 11 - PARTICULARS OF MATTERS TO BE ACTED UPON**

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To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting and described in this Circular. Management of the Company is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Circular.

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#### **PART 12 - ADDITIONAL INFORMATION**

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Additional information relating to the Company concerning the Company and its operations is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year ended November 30, 2023. Copies of this information are available either on SEDAR+ and may also be obtained by contacting the Company at Suite 710, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3, Telephone: (604) 428-6128. Copies of such documents will be provided free of charge to security holders of the Company. The Company may require payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

#### **Approval**

The contents and the sending of this Circular have been approved by the Board.

**DATED** at Vancouver, British Columbia as of December 16, 2024.

*(s) Andrew Bowering*

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**Andrew Bowering**  
Interim President & CEO

*(s) Rona Sellers*

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**Rona Sellers**  
Corporate Secretary

## SCHEDULE “A”

### OMNIBUS INCENTIVE PLAN

The Company hereby establishes an omnibus incentive plan for certain qualified directors, executive officers, employees or Consultants of the Company or any of its Subsidiaries.

#### ARTICLE 1 INTERPRETATION

##### Section 1.1 Definitions.

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

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

“**Annual Base Compensation**” means an annual compensation amount payable to Directors and Officers, as established from time to time by the Board;

“**Award**” means any award of Options, DSUs, or RSUs granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means an interval of time pursuant to a formal notice provided by the Company under a trading policy: (i) when any trading guidelines of the Company, as amended from time to time, restrict Participants from trading in any securities of the Company because they may be in possession of undisclosed material information; or (ii) when the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information, which Black-Out Period must expire promptly following general disclosure of the undisclosed material information;

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

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

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs or DSUs, as applicable, in the Participant’s Account, net of any applicable taxes in accordance with Section 8.2, on the RSU Settlement Date or the Filing Date, as applicable;

“**Cashless Exercise Right**” has the meaning ascribed thereto in Section 3.6(3) hereof;

“**Cause**” has the meaning ascribed thereto in Section 6.2(1) hereof;

“**Change of Control**” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (i) any transaction (other than a transaction described in clause (iii) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires for the first time the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company’s then issued and outstanding securities entitled to vote in the election of Directors of the Company, other than any such acquisition that occurs upon the

exercise or settlement of options or other securities granted by the Company under any of the Company's equity incentive plans;

- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Company immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such transaction;
- (iii) the sale, lease, exchange, license or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company or any of its Subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Subsidiary of the Company in the course of a reorganization of the assets of the Company and its wholly-owned Subsidiaries;
- (iv) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets of the Company or wind up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and the shareholdings remain substantially the same following the re-arrangement);
- (v) individuals who, on the effective date of closing of any proposed transaction or series of transaction described in clause (i) and (ii) above, are members of the Board and cease for any reason to constitute at least a majority of the members of the Board, provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the incumbent Board; or
- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

**“Company”** means Apollo Silver Corp., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

**“Consultant”** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or of any of its Subsidiaries) or company that:

- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its Subsidiaries, other than services provided in relation to a Distribution;
- (ii) provides the services under a written contract between the Company or any of its Subsidiaries and the individual or the company, as the case may be; and
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its Subsidiaries;

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

**“Date of Award”** or **“Date of Grant”** means the date of approval by the Board of any Award under the Plan;

**“Director”** means a member of the Board or the board of directors of any of its Subsidiaries;

**“Distribution”** has the meaning ascribed thereto under the policies of the Stock Exchange;

**“Dividend Equivalent”** means a cash credit equivalent in value to a dividend paid on a Share credited to a Participant’s Account;

**“DSU”** or **“Deferred Share Unit”** means a right granted to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, all as provided in Article 5 hereof and subject to the terms and conditions of this Plan and the applicable Grant Agreement, and which may be paid in cash and/or Shares;

**“DSU Settlement Amount”** means the amount of Shares, Cash Equivalent, or combination thereof, calculated in accordance with Section 5.6, to be paid to settle a DSU Award after the Filing Date;

**“Effective Date”** has the meaning ascribed thereto in Section 8.11 hereof;

**“Employee”** means:

- (i) an individual who is considered an employee of the Company or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
- (ii) an individual who works full-time for the Company or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Company or any of its Subsidiaries over the details and methods of work as an employee of the Company or any of its Subsidiaries, as the case may be, but for whom income tax deductions are not made at source; or
- (iii) an individual who works for the Company or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week acceptable to the Exchange, who provides services normally provided by an employee and is subject to the same control and direction by the Company or its Subsidiary over the details and methods of work as an employee of the Company or any of its

Subsidiaries, as the case may be, but for whom income tax deductions are not made at source;

**“Employment Agreement”** means, with respect to any Participant, any written employment agreement between the Company or a Subsidiary and such Participant;

**“Exercise Notice”** means a notice in writing signed by a Participant and stating the Participant’s intention to exercise a particular Award, as applicable;

**“Filing Date”** has the meaning set out in Section 5.5(1);

**“Grant Agreement”** means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;

**“Incentive Stock Option”** or **“ISO”** means an Option that is granted to a U.S. Participant intended to constitute an incentive stock option within the meaning of Section 422 of the U.S. Tax Code, as described in Section 3.8;

**“Insider”** has the meaning set out in the applicable rules and policies of the Stock Exchange;

**“Investor Relations Activities”** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
  - (I) to promote the sale of products or services of the Company; or
  - (II) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (ii) activities or communications necessary to comply with the requirements of:
  - (I) applicable securities laws; or
  - (II) Stock Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
  - (I) the communication is only through the newspaper, magazine or publication; and
  - (II) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Stock Exchange;



**“Investor Relations Service Provider”** includes any Consultant that performs Investor Relations Activities (within the meaning of the policies of the applicable Stock Exchange) and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;

**“Management Company Employee”** means an individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the Company’s business enterprise;

**“Market Value”** means at any date when the market value of Shares is to be determined, (i) if the Shares are listed on a Stock Exchange, the volume weighted average trading price of the Shares on such Stock Exchange for the five trading days immediately preceding the relevant time as it relates to an Award, provided that if the Shares are listed on the Stock Exchange, at no time shall the market value of the Shares be less than the Discounted Market Price (within the meaning of the policies of the applicable Stock Exchange); or (ii) if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith and such determination shall be conclusive and binding on all Persons;

**“Officer”** means an officer (as defined in the Securities Act or, where the Securities Act does not apply, by other applicable securities laws) of the Company or any of its Subsidiaries;

**“Option”** means an option granted by the Company to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price for a specified period, but subject to the provisions hereof, and includes an ISO;

**“Option Price”** has the meaning ascribed thereto in Section 3.2 hereof;

**“Option Term”** has the meaning ascribed thereto in Section 3.4 hereof;

**“Outstanding Issue”** means the number of Shares that are issued and outstanding, on a non-diluted basis;

**“Participant”** means any Director, Officer, Employee, Management Company Employees or Consultant of the Company or any of its Subsidiaries, but for the purposes of Article 5, this definition shall be limited to Directors, Officers and Management Company Employees of the Company or any of its Subsidiaries;

**“Participant’s Account”** means a notional account maintained for each Participant’s participation in this Plan which will show any RSUs and/or DSUs credited to a Participant from time to time;

**“Performance Criteria”** means specified criteria established by the Board, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award;

**“Performance Period”** means the period determined by the Board at the time any Award is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Award are to be measured;

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

**“Plan”** means this Omnibus Incentive Plan, including any amendments or supplements hereto made after the effective date hereof;

“**Restriction Period**” means the period determined by the Board pursuant to Section 4.3 hereof;

“**RSU**” means a right awarded to a Participant, as compensation for employment or consulting services or services as a Director or Officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, all as provided in Article 4 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement, and which may be paid in cash and/or Shares;

“**RSU Settlement Date**” has the meaning determined in Section 4.5(1);

“**RSU Vesting Determination Date**” has the meaning described thereto in Section 4.4 hereof;

“**Securities Act**” means the *Securities Act* (British Columbia), as amended from time to time;

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

“**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time Employees, Directors, Officers, Insiders, or Consultants of the Company or a Subsidiary provided, however, that any such arrangements that do not involve the issuance from treasury or potential issuance from treasury of Shares of the Company are not “Share Compensation Arrangements” for the purposes of this Plan;

“**Share Limits**” means: (i) the maximum number of Shares issuable to any one Participant under Awards in a 12-month period shall not exceed 5% of the Outstanding Issue (unless requisite disinterested shareholder approval has been obtained to exceed); (ii) the maximum number of Shares issuable to any one Consultant in a 12-month period shall not exceed 2% of the Outstanding Issue; and (iii) Investor Relations Services Providers may only be granted Options under an Award and the maximum number of Shares issuable to all Investor Relations Services Providers under any Options awarded shall not exceed 2% of the Outstanding Issue in any 12-month period, in each case measured as of the Date of Grant of an Award;

“**Stock Exchange**” means the TSXV, or such other registered securities exchange upon which the Share may become listed for trading from time to time;

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

“**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“**Termination Date**” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be a Director, Officer, Employee, Management Company Employee or Consultant of the Company or one of its Subsidiaries and (ii) in the event of the termination of the Participant’s employment, or position as Director, Officer of the Company or a Subsidiary, Management Company Employee, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Company or the Subsidiary, as the case may be, and, for greater certainty, without regard to any period of notice, pay in lieu of notice, or severance that may follow the Termination Date pursuant to the terms of the Participant’s employment or services agreement (if any), the applicable employment standards legislation or the common law (if applicable), and regardless of whether the termination was lawful or unlawful, except as may otherwise be required to meet minimum standards prescribed by the applicable standards legislation;

“**Termination of Service**” means that a Person has ceased to be a Participant, including for greater certainty, the earliest date on which both of the following conditions are met: (i) the Participant has ceased to be employed by the Company or has ceased providing ongoing services as a Consultant to the Company or any Subsidiary thereof for any reason whatsoever; and (ii) the Participant is not a member of the Board nor a director of the Company or any of its Subsidiaries;

“**Trading Session**” means a trading session on a day which the applicable Stock Exchange is open for trading;

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

“**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

“**U.S. Participant**” means any Participant who, at any time during the period from the date an Award is granted to the date such award is exercised, redeemed, or otherwise paid to the Participant, is subject to income taxation in the United States on the income received for services provided to the Company or a Subsidiary and who is not otherwise exempt from United States income taxation under the relevant provisions of the U.S. Tax Code or the Canada-U.S. Income Tax Convention, as amended;

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended;

“**U.S. Tax Code**” means the United States Internal Revenue Code of 1986, as amended; and

“**VWAP**” has the meaning ascribed thereto under the policies of the Stock Exchange.

## **Section 1.2 Interpretation.**

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion of the Board.
- (2) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and vice versa and words importing any gender include any other gender.
- (4) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (5) Unless otherwise specified in the Participant’s Grant Agreement, all references to money amounts are to Canadian currency.
- (6) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant’s estate or will.
- (7) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

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

**Section 2.1 Purpose of the Plan.**

The purpose of the Plan is to permit the Company to grant Awards to Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Company's welfare of those Participants, who share responsibility for the management, growth and protection of the business of the Company or a Subsidiary;
- (b) to provide an incentive to such Participants to continue their services for the Company or a Subsidiary and to encourage such Participants whose skills, performance and loyalty to the objectives and interests of the Company or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Company or a Subsidiary; and
- (d) to provide a means through which the Company or a Subsidiary may attract and retain able Persons to enter its employment or service.

**Section 2.2 Implementation and Administration of the Plan.**

- (1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee or plan administrator appointed by the Board. If such committee or plan administrator is appointed for this purpose, all references to the "Board" herein will be deemed references to such committee or plan administrator. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 7 and any applicable rules of the Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable jurisdiction.
- (3) Subject to the provisions of this Plan, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operations of the Plan as it may deem necessary or advisable. The Board may delegate to officers or managers of the Company, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, in whole or in part. Any such delegation by the Board may be revoked at any time at the Board's sole discretion. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Company, its Subsidiaries and all Participants.
- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board or and any person acting at the direction or on behalf of the

Board, shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.

- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issuance of any Shares or any other securities in the capital of the Company. For greater clarity, the Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or varying or amending its share capital or corporate structure.

### **Section 2.3 Participation in this Plan.**

- (1) The Company makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award, the exercise of an Option or transactions resulting in the issuance of Shares or otherwise in respect of participation under the Plan. Neither the Company, nor any of its Directors, Officers, Employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company and its Subsidiaries do not assume and shall not have responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.
- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Company or any of its Subsidiaries. No asset of the Company or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Company or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.
- (3) Notwithstanding Section 3.6(3), the Company shall not offer financial assistance to any Participant in regards to the exercise of any Award granted under this Plan.
- (4) The Board may also require that any Participant in the Plan provide certain representations, warranties and certifications to the Company to satisfy the requirements of applicable laws, including, without limitation, exemptions from the prospectus and registration requirements of applicable Canadian securities laws, the U.S. Securities Act, and applicable U.S. state securities laws.
- (5) In connection with an Award to be granted to any Participant, it shall be the responsibility of such person and the Company to confirm that such person is a bona fide Participant for the purposes of participation under the Plan.

#### **Section 2.4 Shares Subject to the Plan.**

- (1) Subject to adjustment pursuant to Article 7 hereof, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares.
- (2) The maximum number of Shares issuable at any time pursuant to outstanding Awards under this Plan shall be equal to ten percent (10%) of the Outstanding Issue, as measured as at the Date of Grant.
- (3) No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above-noted total numbers of Shares reserved for issuance pursuant to the settlement of Awards.
- (4) The Plan is an “evergreen” plan, as Shares of the Company covered by Awards which have been exercised or settled, as applicable, and Awards which expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised, will be available for subsequent grant under the Plan and the number of Awards that may be granted under the Plan increases if the total number of issued and outstanding Shares of the Company increases. Shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash.

#### **Section 2.5 Limits with Respect to other Share Compensation Arrangements, Insiders, Individual Limits, and Annual Grant Limits.**

- (1) The maximum number of Shares issuable pursuant to this Plan and any other Share Compensation Arrangement shall not exceed the limits set out in Section 2.4(2).
- (2) Unless disinterested shareholder approval has been obtained, the maximum aggregate number of Shares issuable to Participants under this Plan, within any 12 month period, together with Shares reserved for issuance to such Participant (and to Companies wholly-owned by that Participant) under all of the Company’s other Share Compensation Arrangement, shall not exceed five (5%) percent of the issued and Outstanding Issue (calculated as at the Date of Grant).
- (3) Unless disinterested shareholder approval has been obtained, the maximum aggregate number of Shares issuable to Participants who are Insiders (as a group), at any time, under this Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue (calculated as at the Date of Grant).
- (4) Unless disinterested shareholder approval has been obtained, the maximum aggregate number of Shares issued to Participants who are Insiders (as a group), within any one year period, under this Plan and any other Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue (calculated as at the Date of Grant).
- (5) The maximum aggregate number of Shares issuable to any one Consultant, within any 12 month period, together with all other Share Compensation Arrangement issuable to such Consultant under this Plan, shall not exceed two (2%) percent of the Outstanding Issue (calculated as at the Date of Grant).
- (6) The maximum aggregate number of Shares issuable pursuant to grants of Options to all Investor Relation Service Providers performing Investor Relations Activities, within any 12 month period, shall not in aggregate exceed two (2%) percent of the Outstanding Issue (calculated as at the Date

of Grant). For the avoidance of doubt, Persons performing Investor Relations Activities are only eligible to receive Options under this Plan; they are not eligible to receive any Performance-Based Award or other type of securities based compensation under this Plan.

- (7) Subject to the policies of the Stock Exchange, any Award granted pursuant to the Plan, or securities issued under any other Share Compensation Arrangement, prior to a Participant becoming an Insider, shall be included for the purposes of the limits set out in Section 2.5(2) and Section 2.5(3).
- (8) The Share Limits shall apply to the Shares issued or issuable under any Award granted under the Plan and any other Share Compensation Arrangement, subject to the Shares being listed for trading on the Stock Exchange.

## **Section 2.6 Granting of Awards.**

Any Award granted under the 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 subject to such Award, if applicable, upon the Stock Exchange or under any law or regulation of any jurisdiction, or the consent or approval of the Stock Exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.

## **Section 2.7 TSXV Vesting Restrictions**

While the Shares are listed for trading on the TSXV:

- (a) no Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction;
- (b) any Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months such that:
  - (i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;
  - (ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;
  - (iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and
  - (iv) the remainder of the Options vest no sooner than 12 months after the Options were granted; and
- (c) the Board must, through the establishment of appropriate procedures, monitor the trading in the securities of the Company by all Investor Relations Services Providers.

## **ARTICLE 3 OPTIONS**

### **Section 3.1 Nature of Options.**

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

### **Section 3.2 Option Awards.**

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

### **Section 3.3 Option Price.**

The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted but shall not be less than the Market Value of such Shares at the time of the grant, or if the Shares are listed for trading on the TSXV, such minimum Option Price as may be permitted by TSXV at the time of grant.

### **Section 3.4 Option Term.**

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten years from the date the Option is granted (“**Option Term**”).
- (2) Should the expiration date for an Option fall within a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such Option for all purposes under the Plan.

### **Section 3.5 Exercise of Options.**

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, any exercise of Options by a Participant shall be made in accordance with any insider trading policies implemented by the Company from time to time.

### **Section 3.6 Method of Exercise and Payment of Purchase Price.**

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the



Corporate Secretary of the Company (or the individual that the Corporate Secretary of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option are being exercised and shall be accompanied by full payment, by cash, certified cheque, bank draft or any other form of guaranteed payment deemed acceptable by the Board of the purchase price for the number of Shares specified therein and, if required by Section 8.2, the amount necessary to satisfy any taxes.

- (2) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
  - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
  - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.
- (3) Subject to the rules and policies of the Stock Exchange, except in the case of Investor Relations Services Providers, the Board may, in its discretion and at any time, determine to grant a Participant the alternative, when entitled to exercise an Option, to deal with such Option on a “cashless exercise” basis, on such terms as the Board may determine in its discretion (the “**Cashless Exercise Right**”). Without limitation, the Board may determine in its discretion that such Cashless Exercise Right, if any, grants a Participant the right to terminate such Option in whole or in part by notice in writing to the Company and in lieu of receiving Shares pursuant to the exercise of the Option, receive, without payment of any cash other than pursuant to Section 8.2, that number of Shares, disregarding fractions, which when multiplied by the VWAP (within the meaning of the policies of the applicable Stock Exchange) on the day immediately prior to the exercise of the Cashless Exercise Right, have a total value equal to the product of that number of Shares subject to the Option multiplied by the difference between the VWAP (within the meaning of the policies of the applicable Stock Exchange) on the day immediately prior to the exercise of the Cashless Exercise Right and the Option Price; or
- (4) In the event the Company determines to accept the Participant’s request pursuant to a Cashless Exercise Right, the Company shall make an election pursuant to subsection 110(1.1) of the Tax Act.

### **Section 3.7 Option Agreements.**

Options shall be evidenced by a Grant Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine as well as the policies of the Stock Exchange. The Grant Agreement may contain any such terms that the Company considers necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

### **Section 3.8 Hold Period**

In addition to any resale restrictions under applicable legislation or regulation, all Options granted to any Consultant and all Shares issued on the exercise of such Options will, if applicable under the policies of the TSXV, be subject to a four month TSXV hold period from the Date of Grant, and the Award Agreements and the certificates representing such Shares will bear a legend evidencing the same.

### **Section 3.9 Incentive Stock Options.**

- (1) ISOs are available only for Participants who are employees of the Company, or a “parent corporation” or “subsidiary corporation” (as such terms are defined in Section 424(e) and (f) of the U.S. Tax Code), on the date the Option is granted. In addition, a Participant who holds an ISO must continue as an employee, except that upon termination of employment the Option will continue to be treated as an ISO for up to three months, after which the Option will no longer qualify as an ISO, except as provided in this Section 3.8(1). A Participant’s employment will be deemed to continue during period of sick leave, military leave or other bona fide leave of absence, provided the leave of absence does not exceed three months, or the Participant’s return to employment is guaranteed by statute or contract. If a termination of employment is due to permanent disability, an Option may continue its ISO status for up to one year, and if the termination is due to death, the ISO status may continue for the balance of the Option’s term. Nothing in this Section 3.8(1) will be deemed to extend the original expiry date of an Option.
- (2) A Participant who owns, or is deemed to own, pursuant to Section 424(e) of the U.S. Tax Code, Shares possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company may not be granted an Option that is an ISO unless the Option Price is at least one hundred and ten percent (110%) of the Market Value of the Shares, as of the Date of Grant, and the Option is not exercisable after the expiration of five (5) years from the Date of Grant.
- (3) To the extent the aggregate Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and any affiliates) exceeds One Hundred Thousand United States Dollars (US\$100,000), the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Options other than ISOs, notwithstanding any contrary provision in the applicable Grant Agreement.

## **ARTICLE 4 RESTRICTED SHARE UNITS**

### **Section 4.1 Nature of RSUs.**

A “Restricted Share Unit” or “RSU” is an Award in the nature of a bonus for services rendered that, upon settlement, entitles the recipient Participant to acquire Shares as determined by the Board or to receive the Cash Equivalent or a combination thereof, as the case may be, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Vesting conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of Performance Criteria. Unless otherwise determined by the Board in its discretion, the Award of an RSU is considered a bonus for services rendered in the calendar year in which the Award is granted.

## **Section 4.2 RSU Awards.**

- (1) The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such RSUs, (provided, however, that no such Restriction Period shall exceed the 3 years referenced in Section 4.3) and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan, the policies of the Stock Exchange and in any Grant Agreement.
- (2) Subject to the vesting and other conditions and provisions in this Plan and in the Grant Agreement, each vested RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restriction Period. For greater certainty, RSUs that are subject to Performance Criteria may not become fully vested by the last day of the Restricted Period.

## **Section 4.3 Restriction Period.**

The applicable restriction period in respect of a particular RSU shall be determined by the Board but in all cases shall be no less than twelve months and end no later than the 31<sup>st</sup> of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred (“**Restriction Period**”). All unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 4.4) and, in any event all unvested RSUs shall be cancelled no later than the last day of the Restriction Period.

## **Section 4.4 RSU Vesting Determination Date.**

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the “**RSU Vesting Determination Date**”), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no earlier than twelve months from the Date of Grant of the Award and no later than the 15<sup>th</sup> of December of the calendar year which commences three years after the calendar year in which the performance of services for which such RSU is granted, occurred. Notwithstanding the foregoing, for any U.S. Participant, the RSU Vesting Determination Date shall occur no later than the 15<sup>th</sup> of March the calendar year following the end of the Performance Period.

## **Section 4.5 Settlement of RSUs.**

- (1) Except as otherwise provided in the Grant Agreement, all of the vested RSUs covered by a particular grant shall be settled as soon as practicable and in any event within ten Business Days following their RSU Vesting Determination Date and no later than the end of the Restriction Period (the “**RSU Settlement Date**”).
- (2) Settlement of RSUs shall take place in accordance with Section 4.5(1), and shall take the form determined by the Board, in its sole discretion. Settlement of RSUs shall be subject to Section 8.2 and shall take place through:

- (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of RSUs for Shares (which may include Shares purchased in the secondary market by a trustee or administrative agent appointed by the Board):
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
    - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
  - (c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above, as applicable.
- (3) Notwithstanding the foregoing, for any U.S. Participant, the RSU Settlement Date and delivery of Shares or Cash Equivalent, if any, shall each occur no later than March 15 of the calendar year following the end of the Performance Period.
  - (4) Should the RSU Settlement Date fall within a Black-Out Period, such settlement date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the RSU Settlement Date for all purposes under the Plan.

**Section 4.6 Determination of Amounts.**

- (1) For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account to settle in cash.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of RSUs pursuant to Section 4.5, such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account to settle in Shares.
- (3) In the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (1) and (2) above, as applicable.

**Section 4.7 RSU Agreements.**

RSUs shall be evidenced by an Grant Agreement in such form not inconsistent with the Plan as the Board may from time to time determine as well as the policies of the Stock Exchange. The Grant Agreement may contain any such terms that the Company considers necessary in order that the RSU will comply with any

provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

#### **Section 4.8 Award of Dividend Equivalents.**

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date, provided that any such Dividend Equivalents must be payable in cash to the extent the issuance of Shares would exceed the limitations set forth under the policies of the Stock Exchange or any other limitations prescribed by this Plan.

In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Company's account.

### **ARTICLE 5 DEFERRED SHARE UNITS**

#### **Section 5.1 Nature of DSUs.**

A "Deferred Share Unit" or "DSU" is an Award attributable to a Participant's duties as a Director or Officer of the Company or a Subsidiary and that, upon settlement, entitles the recipient Participant to receive such number of Shares (which may include Shares purchased in the secondary market by a trustee or administrative agent appointed by the Board) as determined by the Board, or to receive the Cash Equivalent or a combination thereof, as the case may be, and is payable after Termination of Service of the Participant.

#### **Section 5.2 DSU Awards.**

The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Participants who may receive DSUs under the Plan that do not perform Investor Relations Activities, and (ii) fix the number of DSUs to be granted to each Participant and the date or dates on which such DSUs shall be granted, subject to the terms and conditions prescribed in this Plan, the policies of the Stock Exchange and in any Grant Agreement. Each DSU awarded shall entitle the Participant to one Share, or the Cash Equivalent, or a combination thereof.

#### **Section 5.3 Payment of Annual Base Compensation.**

- (1) Each Participant may elect to receive in DSUs any portion or all of their Annual Base Compensation by completing and delivering a written election to the Company on or before the 15<sup>th</sup> day of November of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for fiscal quarters beginning during the calendar year following the date of such election. Elections hereunder shall be irrevocable with respect to compensation earned during the period to which such election relates.
- (2) Further, where an individual becomes a Participant for the first time during a fiscal year and, for individuals that are U.S. Participants, such individual has not previously participated in a plan that is required to be aggregated with this Plan for purposes of Section 409A of the U.S. Tax Code, such individual may elect to defer Annual Base Compensation with respect to fiscal quarters of the Company commencing after the Company receives such individual's written election, which election must be received by the Company no later than thirty days after the later of the Plan's adoption or such individual's appointment as a Participant. For greater certainty,

new Participants will not be entitled to receive DSUs for any Annual Base Compensation earned pursuant to an election for the quarter in which they submit their first election to the Company or any previous quarter.

- (3) All DSUs granted with respect to Annual Base Compensation will be determined by the Board in sole discretion in accordance with this Plan and credited to the Participant's Account when such Annual Base Compensation is payable (the "**Grant Date**").
- (4) The Participant's Account will be credited with the number of DSUs calculated to the nearest thousandths of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the Grant Date by the Market Value of the Shares. Fractional Deferred Share Units will not be issued and any fractional entitlements will be rounded down to the nearest whole number.
- (5) Notwithstanding the forgoing, no DSUs may vest before the date that is twelve months following the Date of Award.

#### **Section 5.4 Additional Deferred Share Units.**

In addition to DSUs granted pursuant to Section 5.3, the Board may award such number of DSUs to a Participant as the Board deems advisable to provide the Participant with appropriate equity-based compensation for the services they render to the Company. The Board shall determine the date on which such DSUs may be granted and the date as of which such DSUs shall be credited to a Participant's Account. An award of DSUs pursuant to this Section 5.4 shall be subject to a Grant Agreement evidencing the Award, the terms applicable thereto as well as the policies of the Stock Exchange.

#### **Section 5.5 Settlement of DSUs.**

- (1) A Participant may receive their Shares, or Cash Equivalent, or a combination thereof, to which such Participant is entitled upon Termination of Service, by filing a redemption notice on or before the 15<sup>th</sup> day of December of the first calendar year commencing after the date of the Participant's Termination of Service, and provided that all such entitlements will be settled no later than twelve months following the Participant's Termination of Service. Notwithstanding the foregoing, if any Participant does not file such notice on or before that 15<sup>th</sup> day of December, the Participant will be deemed to have filed the redemption notice on 15<sup>th</sup> day of December (the date of the filing or deemed filing of the redemption notice, the "**Filing Date**"). In all cases for each U.S. Participant, the U.S. Participant will be deemed to have filed the redemption notice on the date of their Termination of Service.
- (2) The Company will make payment of the DSU Settlement Amount as soon as reasonably possible following the Filing Date and in any event no later than the end of the first calendar year commencing after the Participant's Termination of Service. In all cases for each U.S. Participant, the Company will make payment of the DSU Settlement Amount as soon as reasonably possible following the Filing Date and in any event no later than the 1<sup>st</sup> day of March of the calendar year following Termination of Service.
- (3) In the event of the death of a Participant, the Company will, subject to Section 8.2, make payment of the DSU Settlement Amount within two months of the Participant's death to or for the benefit of the legal representative of the deceased Participant. For the purposes of the calculation of the Settlement Amount, the Filing Date shall be the date of the Participant's death. Such DSUs shall only be eligible for payment within 12 months after the Person ceases to be a Participant.

- (4) Subject to the terms of the Grant Agreement, including the satisfaction or, at the discretion of the Board, and pre-approval of the Stock Exchange, waiver of any vesting conditions, settlement of DSUs shall take place promptly following the Filing Date, and take the form as determined by the Board, in its sole discretion. Settlement of DSUs shall be subject to Section 8.2 and shall take place through:
- (a) in the case of settlement of DSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
  - (b) in the case of settlement of DSUs for Shares:
    - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
    - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or
  - (c) in the case of settlement of the DSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (5) Notwithstanding the foregoing, should the settlement date of any DSU fall within a Black-Out Period, such settlement date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the settlement date of such DSU for all purposes under the Plan.

#### **Section 5.6 Determination of DSU Settlement Amount.**

- (1) For purposes of determining the Cash Equivalent of DSUs to be made pursuant to Section 5.5 such calculation will be made on the Filing Date based on the Market Value on the Filing Date multiplied by the number of vested DSUs in the Participant's Account to settle in cash.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of DSUs pursuant to Section 5.5, such calculation will be made on the Filing Date based on the whole number of Shares equal to the whole number of vested DSUs then recorded in the Participant's Account to settle in Shares.
- (3) in the case of settlement of the DSUs for a combination of Shares and the Cash Equivalent, a combination of (1) and (2) above.

#### **Section 5.7 Grant Agreements.**

DSUs shall be evidenced by a Grant Agreement in such form not inconsistent with the Plan as the Board may from time to time determine as well as the policies of the Stock Exchange. The Grant Agreement may

contain any such terms that the Company considers necessary in order that the DSU will comply with any provisions respecting deferred share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

#### **Section 5.8 Award of Dividend Equivalents.**

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date, provided that any such Dividend Equivalents must be payable in cash to the extent the issuance of Shares would exceed the limitations set forth under the policies of the Stock Exchange or any other limitations prescribed by this Plan.

### **ARTICLE 6 GENERAL CONDITIONS**

#### **Section 6.1 General Conditions Applicable to Awards.**

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

- (1) **Vesting Period.** While the Shares are listed for trading on the TSXV, no Award (other than Options), may vest before the date that is one year following the date the Award is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction. Each Award granted hereunder shall further vest in accordance with the terms of the Grant Agreement entered into in respect of such Award. The Board has the right to accelerate the date upon which any Award becomes exercisable, subject to Stock Exchange approval, if applicable, notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration.
- (2) **Employment.** Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Company or a Subsidiary to the Participant of employment or another service relationship with the Company or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Company or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Company or any of its Subsidiaries in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (3) **Grant of Awards.** Eligibility to participate in this Plan does not confer upon any Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Participant does not confer upon any Participant the right to receive nor preclude such Participant from receiving any additional Awards at any time. The extent to which any Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect a Participant's relationship or employment with the Company or any Subsidiary.



- (4) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Subject to Section 4.8 and Section 5.8, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (6) **Non-Transferrable Awards.** Each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Award granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- (7) **Participant's Entitlement.** Except as otherwise provided in this Plan or unless the Board permits otherwise, upon any Subsidiary of the Company ceasing to be a Subsidiary of the Company, Awards previously granted under this Plan that, at the time of such change, are held by a Person who is a director, executive officer, employee or Consultant of such Subsidiary of the Company and not of the Company itself, whether or not then exercisable, shall automatically terminate on the date of such change.

## **Section 6.2 General Conditions Applicable to Options.**

Each Option shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Person ceasing to be a Participant for Cause, any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant. "**Cause**" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Company's codes of conduct and any other reason determined by the Company to be cause for termination.
- (2) **Termination not for Cause.** Upon a Person ceasing to be a Participant as a result of his or her employment or service relationship with the Company or a Subsidiary being terminated without Cause, (i) any unvested Option granted to such Participant shall terminate and become void immediately and (ii) any vested Option granted to such Participant may be exercised by such Participant. Unless otherwise determined by the Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), such Option shall only be exercisable within the earlier of 90 days after the Termination Date, or the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Options shall only be exercisable within 12 months after the Person ceases to be a Participant.
- (3) **Resignation.** Upon a Person ceasing to be a Participant as a result of his or her resignation from the Company or a Subsidiary, (i) each unvested Option granted to such Participant shall terminate and become void immediately upon resignation and (ii) unless otherwise determined by the

Board, in its sole discretion (subject to compliance with the policies of the exchange on which the Company trades), each vested Option granted to such Participant will cease to be exercisable on the earlier of the 90 days following the Termination Date and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Options shall only be exercisable within 12 months after the Person ceases to be a Participant.

- (4) **Permanent Disability/Retirement.** Upon a Person ceasing to be a Participant by reason of retirement (in accordance with any retirement policy implemented by the Company from time to time) or permanent disability, (i) any unvested Option shall terminate and become void immediately, and (ii) any vested Option will cease to be exercisable on the earlier of the 90 days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Company or any Subsidiary by reason of permanent disability, and the expiry date of the Option set forth in the Grant Agreement, after which the Option will expire. Notwithstanding the above, such Options shall only be exercisable within 12 months after the Person ceases to be a Participant.
- (5) **Death.** Upon a Person ceasing to be a Participant by reason of death, any unvested Options granted to a Participant shall vest immediately in the estate of such Participant and all Options granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options on the date of such Participant's death. Such Options, whether vested or unvested on the date of such Participant's death, shall only be exercisable within 12 months after the Participant's death or prior to the expiration of the original term of the Options whichever occurs earlier.

### **Section 6.3 General Conditions Applicable to RSUs and DSUs.**

Each RSU and DSU, as applicable, shall be subject to the following conditions:

- (1) **Termination for Cause and Resignation.** Upon a Person ceasing to be a Participant for Cause or as a result of his or her resignation from the Company or a Subsidiary, the Participant's participation in the Plan shall be terminated immediately, all RSUs and DSUs credited to such Participant's Account that have not vested shall be forfeited and cancelled, and the Participant's rights to Shares or Cash Equivalent or a combination thereof that relate to such Participant's unvested RSUs or DSUs shall be forfeited and cancelled on the Termination Date. The Participant shall not receive any payment in lieu of cancelled RSUs or DSUs that have not vested.
- (2) **Death or Termination.** Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Person ceasing to be a Participant as a result of (i) death, (ii) retirement, (iii) termination for reasons other than for Cause, (iv) his or her employment or service relationship with the Company or a Subsidiary being terminated by reason of injury or disability or (v) becoming eligible to receive long-term disability benefits, all unvested RSUs and DSUs in the Participant's Account as of such date relating to a Restriction Period in progress shall be terminated, and the Participant shall not receive any payment in lieu of cancelled RSUs or DSUs.
- (3) **General.** For greater certainty, where a Participant's employment or service relationship with the Company or a Subsidiary is terminated pursuant to Section 6.3(1) or Section 6.3(2) hereof following the satisfaction of all vesting conditions in respect of particular RSUs or DSUs but before receipt of the corresponding distribution or payment in respect of such RSUs or DSUs,

the Participant shall remain entitled to such distribution or payment. Such vested RSUs or DSUs shall only be exercisable within 12 months after the Person ceases to be a Participant.

## **ARTICLE 7 ADJUSTMENTS AND AMENDMENTS**

### **Section 7.1 Adjustment to Shares.**

In the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Company with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Company, of cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or Shares, but including for greater certainty shares or equity interests in a Subsidiary or business unit of the Company or one of its Subsidiaries or cash proceeds of the disposition of such a Subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares to which the Participant is entitled upon exercise of such Award; or
- (c) adjustments to the number or kind of Shares reserved for issuance pursuant to the Plan.

### **Section 7.2 Change of Control.**

- (1) Upon the completion of a transaction resulting in a Change of Control, no Award issued pursuant to the Plan, other than Options, may vest before the date that is one year following the date it is granted or issued, provided that this requirement may be accelerated for a Person who dies or who ceases to be a Participant under the provisions hereof in connection with a Change of Control, take-over bid, reverse take-over or other similar transaction. Any Options that become exercisable pursuant to this Section 7.2(1) shall remain open for exercise in accordance with the terms set out in the Grant Agreement.
- (2) In the event of a potential Change of Control, the Board shall have the power, in its sole discretion, subject to Section 7.3 and compliance with applicable securities laws, to modify the terms of this Plan and/or the Awards to assist the Participants to tender into a take-over bid or to participate in any other transaction leading to a Change of Control.
- (3) Notwithstanding any other provision of this Plan, this Section 7.2 shall not apply with respect to any Awards held by a Participant where such Awards are governed under paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (4) Notwithstanding any other provision of this Plan, for all U.S. Participants, "Change of Control" as defined herein shall be as "Change in Control" is defined in 409A of the U.S. Tax Code.

### **Section 7.3 Amendment or Discontinuance of the Plan.**

- (1) The Board may suspend or terminate the Plan at any time. Notwithstanding the foregoing, any suspension or termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.
- (2) The Board may from time to time, in its absolute discretion and without approval of the shareholders of the Company amend any provision of this Plan or any Award, subject to any regulatory approval or prior Stock Exchange acceptance at the time of such amendment, including, without limitation:
  - (i) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body; and
  - (ii) any amendment of a “housekeeping” nature, including to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan.
- (3) Notwithstanding Section 7.3(2):
  - (a) no such amendment shall alter or impair the rights of any Participant, without the consent of such Participant except as permitted by the provisions of the Plan;
  - (b) the Board shall be required to obtain disinterested shareholder approval and prior Stock Exchange acceptance to make the following amendments:
    - (i) any increase to the maximum number of Shares issuable under the Plan (either as a fixed number or fixed percentage of the Outstanding Issue), except in the event of an adjustment pursuant to Article 7;
    - (ii) any amendment that extends the term of Options beyond the original expiry date that benefits an Insider of the Company;
    - (iii) any amendment which extends the expiry date of any Award, or the Restriction Period, or the Performance Period of any RSU beyond the original expiry date or Restriction Period or Performance Period, that benefits an Insider of the Company;
    - (iv) except in the case of an adjustment pursuant to Article 7, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price;
    - (v) any amendment which increases the maximum number of Shares that may be: (i) issuable any one Person in any twelve month period which exceeds 5% of the Outstanding Issue on the Date of Award; (ii) issuable to Insiders at any time; or (iii) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 7;
    - (vi) any amendment to the definition of a Participant under the Plan; and

- (vii) any amendment to the amendment provisions of the Plan.
- (4) Subject to the Shares being listed on the Stock Exchange, any shareholder approval required under Section 7.3(3)(b) shall be disinterested shareholder approval.
- (5) Notwithstanding the foregoing, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Tax Act or any successor to such provision.

#### **Section 7.4 TSXV Approval of Adjustments**

While the Shares are listed for trading on the TSXV, any adjustment, other than in connection with a subdivision of the Shares into a greater number of Shares pursuant to Section 7.1(a) or a consolidation of Shares into a lesser number of Shares pursuant to Section 7.1(b), to any Award pursuant to the provisions hereof is subject to the prior acceptance of the Stock Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

### **ARTICLE 8 MISCELLANEOUS**

#### **Section 8.1 Use of an Administrative Agent and Trustee.**

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent or trustee to administer the Awards granted under the Plan, including for the purposes of making secondary market purchases of Shares for delivery on settlement of an Award, if applicable, and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

#### **Section 8.2 Tax Withholding.**

Subject to the requirements of TSXV Policy 4.4 – *Security Based Compensation*:

- (1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of such withholdings, including in respect of applicable taxes and source deductions, as the Company determines. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding may be satisfied in such manner as the Company determines, including by (a) having the Participant elect to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 8.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or determined by the Company as appropriate.
- (2) Notwithstanding Section 8.2(1), the applicable tax withholdings may be waived where a Participant directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which subsection 100(3) of the regulations made under the Tax Act apply.

### **Section 8.3 US Tax Compliance.**

- (1) DSU Awards granted to U.S. Participants are intended to comply with, and Option and RSU Awards granted to U.S. Participants are intended to be exempt from, all aspects of Section 409A of the U.S. Tax Code and related regulations (“**Section 409A**”). Notwithstanding any provision to the contrary, all taxes associated with participation in the Plan, including any liability imposed by Section 409A, shall be borne by the U.S. Participant.
- (2) For purposes of interpreting and applying the provisions of any DSU or other Award to subject to Section 409A, the term “termination of employment” or similar phrase will be interpreted to mean a “separation from service,” as defined under Section 409A, provided, however, that with respect to an Award subject to the Tax Act, if the Tax Act requires a complete termination of the employment relationship to receive the intended tax treatment, then “termination of employment” will be interpreted to only include a complete termination of the employment relationship.
- (3) If payment under any DSU or other Award subject to Section 409A is in connection with the U.S. Participant’s separation from service, and at the time of the separation from service the Participant is subject to the U.S. Tax Code and is considered a “specified employee” (within the meaning of Section 409A), then any payment that would otherwise be payable during the six-month period following the separation from service will be delayed until after the expiration of the six-month period, to the extent necessary to avoid taxes and penalties under Section 409A, provided that any amounts that would have been paid during the six-month period may be paid in a single lump sum on the first day of the seventh month following the separation from service.
- (4) Notwithstanding any provision of the Plan to the contrary, all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the U.S. Tax Code. If any provision of the Plan contravenes Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Section 409A, the Board may, in its sole discretion and without the U.S. Participant’s consent, modify such provision to: (i) comply with, or avoid being subject to, Section 409A, or to avoid incurring taxes, interest and penalties under Section 409A; and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Company or contravening Section 409A. However, the Company shall have no obligation to modify the Plan or any RSU or DSU and does not guarantee that they will not be subject to taxes, interest and penalties under Section 409A. Each U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such U.S. Participant in connection with the Plan or any other plan maintained by the Company (including any taxes and penalties under Section 409A), and neither the Company nor any Subsidiary of the Company shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

### **Section 8.4 Clawback.**

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or Stock Exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or Stock Exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or Stock Exchange listing requirement). Without limiting the generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to

forfeiture and disgorgement to the Company, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which he or she is bound, or (ii) any policy adopted by the Company applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Company of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable Stock Exchange listing standards, including and any related policy adopted by the Company. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Company nor any other person, other than the Participant and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her permitted transferees, if any, that may arise in connection with this Section 8.4.

### **Section 8.5 Securities Law Compliance.**

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Option, and the Company's obligation to sell and deliver Shares in respect of any Awards, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Stock Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the Company, be required. The Company shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) In addition to any resale restrictions under securities laws, and any other circumstance for which a Stock Exchange hold period may apply, where Awards are granted to Insiders or promoters (as such term is defined by the Securities Act) of the Company or where the exercise price includes a discount as permitted by the Stock Exchange, the Award and any Shares issued on the exercise of such Award must be legended with a four (4) month Stock Exchange hold period commencing on the Date of Grant.
- (3) No Awards shall be granted in the United States and no Shares shall be issued in the United States pursuant to any such Awards unless such Shares are registered under the U.S. Securities Act and any applicable state securities laws or an exemption from such registration is available. Any Awards granted in the United States, and any Shares issued pursuant thereto, will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing Awards granted in the United States or Shares issued in the United States pursuant to such Awards pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws shall bear substantially the following legend restricting transfer under applicable United States federal and state securities laws:

THE SECURITIES REPRESENTED HEREBY [and for Awards, the following will be added: AND THE SECURITIES ISSUABLE PURSUANT HERETO] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND

REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (1) RULE 144 THEREUNDER, IF AVAILABLE, OR (2) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN CONNECTION WITH ANY TRANSFERS PURSUANT TO (C)(1) OR (D) ABOVE, THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE, IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO THAT EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

- (4) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any jurisdiction or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company’s counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.
- (5) The Company shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with a Stock Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (6) If Shares cannot be issued to a Participant upon the exercise of an Option due to legal or regulatory restrictions, the obligation of the Company to issue such Shares shall terminate and any funds paid to the Company in connection with the exercise of such Option will be returned to the applicable Participant as soon as practicable.

#### **Section 8.6 Reorganization of the Company.**

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

#### **Section 8.7 Quotation of Shares.**

So long as the Shares are listed on one or more Stock Exchanges, the Company must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Company cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.



**Section 8.8 No Fractional Shares.**

No fractional Shares shall be issued upon the exercise or vesting of any Award granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of such Award, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase or receive, as the case may be, the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

**Section 8.9 Governing Laws.**

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

**Section 8.10 Severability.**

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

**Section 8.11 Effective Date of the Plan**

The Plan was adopted by the Board on December 12, 2024 (the “**Effective Date**”) and approved by the shareholders of the Company on January 30, 2025, and is effective as of that date.

**Section 8.12 Term**

The Plan shall terminate automatically ten years after the Effective Date and may be terminated on any earlier date as provided in Section 7.3(1) hereof.

## SCHEDULE “B”

### AUDIT COMMITTEE CHARTER

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Apollo Silver Corp. (the “**Company**”). The role of the Committee is to provide oversight of the Company’s financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies. This includes helping directors meet their responsibilities, facilitating better communication between directors and the external auditor, enhancing the independence of the external auditor, increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor. Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them. The Company’s external auditor is ultimately accountable to the Board and the Committee as representatives of the Company’s shareholders.

#### **Duties and Responsibilities**

##### *External Auditor*

- (a) To recommend to the Board, for shareholder approval, an external auditor to examine the Company’s accounts, controls, and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Company.
- (b) To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review, or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (c) To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
- (d) To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services.
- (e) To obtain and review, at least annually, a written report by the external auditor setting out the auditor’s internal quality-control procedures, any material issues raised by the auditor’s internal quality-control reviews and the steps taken to resolve those issues.
- (f) To hold an in-camera meeting with the external auditor at the end of each audit committee meeting, without management present.
- (g) To review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company’s financial statements:
  - (i) A member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports following Committee review and approval;
  - (ii) A former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries following Committee review and approval;
  - (iii) The Chief Financial Officer (“**CFO**”) must approve all office hires from the external auditor; and

- (iv) The CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
- (h) To review, at least annually, the relationships between the Company and the external auditor in order to establish the independence of the external auditor.

#### *Financial Information and Reporting*

- (a) To review and approve the Company's annual audited financial statements and interim statements with the Chief Executive Officer ("CEO") and CFO and then recommend approval to the Board.
- (b) To review and discuss with management and the external auditor, as appropriate:
  - (i) The annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
  - (ii) Earnings guidance and other releases containing information taken from the Company's financial statements prior to their release.
- (c) To review the quality and not just the acceptability of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.
- (d) To review with the CFO any earnings guidance to be issued by the Company and any news release containing financial information taken from the Company's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

#### *Oversight*

- (a) To review the internal audit staff functions, including:
  - (i) The purpose, authority and organizational reporting lines;
  - (ii) The annual audit plan, budget and staffing; and
  - (iii) The appointment and compensation of the controller, if any.
- (b) To review, with the CFO and others, as appropriate, the Company's internal system of audit controls and the results of internal audits.
- (c) To review and monitor the Company's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
- (d) To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive sessions and review issues and matters of concern respecting audits and financial reporting.
- (e) In connection with its review, approval, and Board approval recommendation of the annual audited financial statements and interim financial statements, the Committee will also review and approve the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Company's disclosure and internal controls, including any material deficiencies or changes in those controls.

#### *Membership*

- (a) The Committee shall consist of three or more members of the Board, all of whom shall be independent directors, and shall satisfy the laws governing the Company and the independence, financial literacy, expertise and experience requirements under applicable securities laws, applicable stock exchange rules, and any other regulatory requirements applicable to the Company
- (b) Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs.
- (c) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
- (d) All members of the Committee must be “financially literate” (i.e. have the ability to read and understand a set of financial statements such as a balance sheet, an income statement and a cash flow statement).

### **Procedures**

- (a) The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the “**Chair**”). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
- (b) The Chair will appoint a secretary (the “**Secretary**”) who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- (c) No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum and provided that a majority of the members must be “independent” or “unrelated”.
- (d) The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
- (e) The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the articles of the Company or otherwise determined by resolution of the Board.
- (f) The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants, as it deems appropriate.
- (g) The Committee shall have access to all books and records of the Company necessary for the execution of the Committee’s obligations and shall discuss with the CEO or the CFO such records and other matters considered appropriate.
- (h) The Committee has the authority to communicate directly with the internal and external auditors.

### **Reports**

The Committee shall produce the following reports and provide them to the Board:

- (a) An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.
- (b) A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

Approved by the Board on October 19, 2021.

Amended by the Board on March 18, 2022.

## SCHEDULE “C”

### MANDATE FOR THE BOARD OF DIRECTORS

The term “Corporation” herein shall refer to Apollo Silver Corp. and the term “Board” shall refer to the Board of Directors of the Corporation.

The Board is responsible for establishing and maintaining a culture of integrity in the conduct of the affairs of the Corporation. The Board seeks to discharge this responsibility by satisfying itself as to the integrity of the Chair & Chief Executive Officer and Management and by overseeing and monitoring Management to ensure a culture of integrity is maintained.

Although Directors may be nominated by certain persons to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times.

### DUTIES OF THE DIRECTORS

The Board discharges its responsibilities directly and through its committees; namely, the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee (“NCG”), and the Health, Safety and Sustainability Committee (“HSS”). In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. The Board’s primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Corporation’s strategic objectives. In addition to the Board’s primary roles of overseeing the affairs of the Corporation, principal duties include, but are not limited to the following categories:

#### *Oversight of Management*

1. The Board has the responsibility for approving the appointment of the Chief Executive Officer and any other officers of the Corporation (collectively, the “Officers”), and approving the compensation of the Chief Executive Officer and the employees of the Corporation following a review of the recommendations of the Compensation Committee.
2. The Board has delegated authority to the Chief Executive Officer for the overall management of the Corporation, including strategy and operations to ensure the long-term success of the Corporation and to maximize shareholder value.
3. The Board may from time-to-time delegate authority to the Officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the Officers and material transactions are reviewed by and subject to the prior approval of the Board.
4. The Board is responsible for monitoring the performance of Management.

#### *Board Organization*

5. The Board retains the responsibility for managing its own affairs by giving its approval for its composition, the selection of the Chair of the Board, candidates nominated for election to the Board, Committee and Committee chair appointments, Committee charters and executive compensation.
6. The Board may delegate to Board Committees matters it is responsible for, including the approval of compensation of the Board and Management, the approval of interim financial results, the conduct of performance evaluations and oversight of internal controls systems, as well as safety matters. However, the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

#### *Composition*

7. The Board believes that better corporate governance is promoted when a board of directors is made up of highly qualified individuals i) from diverse backgrounds who reflect the changing population demographics of the markets in which the Corporation operates, ii) of each gender, and iii) reflective of the talent available with the required expertise. When considering recommendations for nomination to the Board, the Board shall consider:
  - (a) diversity criteria including gender, age, ethnicity, and geographic background; and
  - (b) candidates who are highly qualified based on their experience, functional expertise, and personal skills and qualities.

Notwithstanding this, the Corporation does not support the adoption of quotas to support its belief in the importance of diversity. In addition to the criteria set out above and elsewhere herein, employees and directors of the Corporation (“Directors”) will be recruited and promoted based upon their ability and contributions.

8. The Directors shall consist of persons who possess skills and competencies in areas that are:
  - (a) necessary to enable the Board and Board committees to properly discharge their duties and responsibilities; and
  - (b) relevant to the Corporation’s activities.
9. At least 50% of the directors shall be individuals who are “independent” directors in accordance with applicable securities laws and stock exchange policies. Subject to the size and operations of the Corporation, the Board is committed to setting measurable objectives for the long-term goal of improving gender representation across all levels of the organisation.
10. The Board does not believe it should establish term limits for directors as term limits could result in the loss of Directors who have been able to develop, over a period of time, significant insight into the Corporation and its operations and an institutional memory that benefits the Board as well as the Corporation and its stakeholders. The Board, on its initiative and on an exceptional basis, may exercise discretion to introduce maximum terms or mandatory retirement where it considers that such a limitation would benefit the Corporation and its stakeholders.
11. Subject to the limitations herein, the Nominating and Corporate Governance (“NCG”) Committee of the Board will annually (and more frequently, if appropriate) recommend candidates to the Board for election or appointment as Directors, taking into account the Board’s conclusions with respect to the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board Committees to properly discharge their responsibilities, and the competencies and skills of the current Board.
12. No director should serve on the board of a regulatory body with oversight of the Corporation. Each director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director’s time and availability for his or her commitment to the Corporation as well as his or her ability to exercise their fiduciary duties as directors.

Directors should advise the chair of the NCG Committee and the Chief Executive Officer (“CEO”) of the Corporation before accepting membership on other public company boards of directors or any audit committee or other significant committee assignment on any other board of directors, or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director’s relationship to the Corporation.

13. Without prior approval of the NCG Committee, the CEO of the Corporation should not serve on the board of any other public company.
14. The Board approves the final choice of candidates.
15. The shareholders of the Corporation elect the Directors annually.
16. The Secretary of the Corporation (the “Secretary”) shall be secretary of the Board.
17. Directors are expected to comply with the Corporation’s Codes of Conduct.

#### *Monitoring of Financial Performance and Other Financial Reporting Matters*

18. The Board has oversight responsibility for reviewing and questioning the strategies and plans of the Corporation.
19. The Board has oversight responsibility for reviewing systems for managing the principal risks of the Corporation’s business including insurance coverages, conduct of material litigation and the effectiveness of internal controls.
20. The Board is responsible for reviewing and approving annual operational budgets, capital expenditure limits and corporate objectives, and monitoring performance on each of the above.
21. The Board must approve all decisions involving unbudgeted operating expenditures in excess of \$100,000 and unbudgeted project expenditures in excess of \$200,000.
20. The Board is responsible for considering appropriate measures if the performance of the Corporation falls short of its goals or if other special circumstances warrant.
21. The Board shall be responsible for approving the interim and audited financial statements and the notes thereto and the Corporation’s management discussion and analysis with respect to such financial statements.
22. The Board is responsible for reviewing and approving material transactions involving the Corporation and those matters which the Board is required to approve under its governing legislation and documents, including the payment of distributions, acquisitions, and dispositions of material assets by the Corporation and material expenditures by the Corporation.
23. The Board has responsibility for effectively monitoring the principal risks of the Corporation.

#### *Policies and Procedures*

24. The Board is responsible for:
  - approving and monitoring compliance with all significant policies and procedures within which the Corporation operates;
  - approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
  - implementing the appropriate structures and procedures to ensure that the board functions independently of management;



- enforcing obligations of the Directors respecting confidential treatment of the Corporation's proprietary information and Board deliberations; and
  - establishing policies and procedures whereby members of the Board will be required on an annual basis to assess their own effectiveness as directors and the effectiveness of committees of the Board and the Board as a whole.
25. The Board has approved a Disclosure Policy respecting communications to the public.

#### *Reporting*

26. The Board is responsible for:
- overseeing the accurate reporting of the financial performance of the Corporation to its shareholders on a timely and regular basis;
  - overseeing that the financial results are reported fairly and in accordance with international financial reporting standards;
  - ensuring the integrity of the internal control and management information systems of the Corporation;
  - taking steps to enhance timely disclosure; and
  - ensuring the appointment of a qualified corporate secretary to attend to organizing the meetings of the Board and the committees in accordance with the by-laws and the corporate governance policies, and punctually preparing minutes which are an accurate, valid and completed documentation of such meetings and the business conducted therein.

#### *Authority*

27. The powers of the Board may be exercised at a meeting for which notice has been given and at which a quorum is present or, in appropriate circumstances, by resolution in writing signed by all the directors.
28. The Board is authorized to retain, and to set and pay the compensation of, independent legal counsel and other advisers if it considers this appropriate.
29. The Board is authorized to invite officers and employees of the Corporation and outsiders with relevant experience and expertise to attend or participate in its meetings and proceedings, if it considers this appropriate.

### **EXPECTATIONS OF THE DIRECTORS**

Expectations of the Directors include but are not limited to:

- (a) maintaining a high attendance record at meetings of the Board and the committees of which they are members. Attendance by telephone or video conference may be used to facilitate a director's attendance;
- (b) reviewing the materials circulated in advance of meetings of the Board and its committees and being prepared to discuss the issues presented. Directors are encouraged to contact the Chair of the Board, the CEO and any other appropriate executive officer(s) to ask questions and discuss agenda items prior to meetings;

- (c) being sufficiently knowledgeable of the business of the Corporation, including its financial statements, and the risks it faces, ensuring active and effective participation in the deliberations of the Board and of each committee on which he or she serves.
- (d) freely to contact the CEO at any time to discuss any aspect of the Corporation's business. Directors should use their judgement to ensure that any such contact is not disruptive to the operations of the Corporation. The Board expects that there will be frequent opportunities for Directors to meet with the CEO in meetings of the Board and committees, or in other formal or informal settings.
- (e) Maintaining the confidentiality of the proceedings and deliberations of the Board and its committees. Each Director will maintain the confidentiality of information received in connection with his or her service as a director.

**ADOPTION**

This Policy was adopted by the Board on October 19, 2021.