



Suite 320 – 1155 West Pender Street
Vancouver, BC Canada V6E 2P4
Tel: 604.681.8600
e-mail: info@fpxnickel.com

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the shareholders (the “**Meeting**”) of FPX Nickel Corp. (the “**Corporation**”) will be held on Thursday, May 25, 2023 at the hour of 2:00 p.m. (Vancouver time), at the offices of the Corporation, Suite 320 – 1155 West Pender Street, Vancouver, British Columbia, for the following purposes:

1. **FINANCIAL STATEMENTS.** To receive and consider the Corporation’s audited consolidated financial statements as at and for the year ended December 31, 2022 and the auditor’s report thereon;
2. **SET THE NUMBER OF DIRECTORS.** To set the number of directors of the Corporation for the ensuing year at seven;
3. **ELECTION OF DIRECTORS.** To elect directors of the Corporation to hold office for the ensuing year;
4. **RE-APPOINTMENT OF AUDITOR.** To re-appoint De Visser Gray LLP, Chartered Professional Accountants, as the Corporation’s auditor for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. **APPROVAL OF SHARE COMPENSATION PLAN.** To consider, and if thought advisable, to pass, with or without variation, an ordinary resolution in the form included in the Information Circular approving the Corporation’s share compensation plan (the “**2023 Share Compensation Plan**”). See “*Particulars of Matters to be Acted Upon – Approval of 2023 Share Compensation Plan*” in the Information Circular and;
6. **OTHER BUSINESS.** To transact such other business as may properly come before the Meeting or any adjournment thereof.

Accompanying this Notice of Meeting is the Corporation’s Information Circular, a form of Proxy or Voting Instruction Form, a Financial Statement Request Form and the President’s Letter. The accompanying Information Circular provides information relating to matters to be addressed at the Meeting and is incorporated into this Notice.

Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Beneficial shareholders [being shareholders who hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary (each, an “**Intermediary**”)] will be able to attend the Meeting as a guest but will not be able to participate or vote at the Meeting.

The enclosed Proxy is solicited by management but you may amend it, as set out in the Notes to Proxy, if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting.

In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the Corporation’s Transfer Agent, Computershare Investor Services Inc., of 100 University Avenue – 9th Floor, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. Further instructions with respect to the voting by proxy are provided in the form of proxy and in the Information Circular accompanying this Notice. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

If you are a beneficial shareholder and have received these materials through your broker or other Intermediary, please complete and return the voting instruction form or other materials provided to you by your broker or other

Intermediary in accordance with the instructions provided therein **sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.** Shareholders who are planning to return the form of proxy or a voting instruction form are encouraged to review the accompanying Information Circular carefully before submitting the form of proxy or voting instruction form.

DATED at Vancouver, British Columbia, Canada as of the 26th day of April 2023.

BY OF THE BOARD

/s/ Martin Turenne

President & Chief Executive Officer

FPX NICKEL CORP.
Suite 320 – 1155 West Pender Street, Vancouver British Columbia V6E 2P4
INFORMATION CIRCULAR

(Containing information as at April 26, 2023, except as otherwise indicated)

Solicitation of Proxies

This Information Circular (the “**Circular**”) is provided in connection with the solicitation, by or on behalf of the management of FPX Nickel Corp. (the “**Corporation**”), of proxies to be used at the Annual General and Special Meeting of shareholders of the Corporation to be held at the offices of the Corporation at Suite 320 – 1155 West Pender Street, Vancouver, British Columbia on May 25, 2023 (the “**Meeting**”) at the time and for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors or officers of the Corporation without special compensation, or by the Corporation’s transfer agent, Computershare Investor Services Inc., at nominal cost. The cost of solicitation will be borne by the Corporation.

Appointment of Proxy Holder

The individuals named (the “**Management’s Nominees**”) in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Corporation. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN THE MANAGEMENT’S NOMINEES DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT’S NOMINEES AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your Common Shares are held in physical form (i.e. paper form) and are registered in your name, then you are a registered shareholder (a “**Registered Shareholder**”). However, if, like most shareholders, you keep your Common Shares in a brokerage account, then you are a beneficial shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders (as defined below). The instructions below should be read carefully by all shareholders.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited with the Corporation’s registrar and transfer agent, **Computershare Investor Services Inc., 100 University Avenue - 9th floor, Toronto, Ontario, M5J 2Y1**, (the “**Transfer Agent**”) at any time up to and including the last business day preceding the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

REGISTERED SHAREHOLDERS

Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed form of Proxy and returning it to the Transfer Agent;
- (b) using a touch-tone phone to transmit voting choices to the toll-free number indicated in the Proxy. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the holder’s account number and the Proxy control number; or
- (c) using the internet through the website of the Corporation’s transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the Proxy control number;

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS Inc. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Circular and the Proxy to the clearing agencies and intermediaries for onward distribution to Beneficial Shareholders.

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

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

If you are a Beneficial Shareholder and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf. The intermediaries (or their service companies) are responsible for forwarding this Circular and other Meeting materials to each OBO, unless the OBO has waived the right to receive them.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation has not adopted the notice and access procedure described in NI 54-101 and National Instrument 51-102 - *Continuous Disclosure Obligations* to distribute its proxy related materials to the Registered Shareholders and Beneficial Shareholders. In addition, the Corporation has not agreed to pay to distribute the proxy-related materials to the OBOs.

Meeting materials sent to Beneficial Shareholders who have not waived their right to receive Meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is provided instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. VIFs whether provided by the Corporation or by an intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit a Beneficial Shareholder to direct the voting of the Common Shares which they beneficially own. If a Beneficial Shareholder who receives a VIF wishes to attend the Meeting or have someone else attend on his behalf, then the Beneficial Shareholder may write the applicable name in the space provided in the VIF, which will grant the Beneficial Shareholder or his nominee the right to attend and vote at the Meeting.

IF YOU ARE A BENEFICIAL SHAREHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE REFER TO THE INSTRUCTIONS SET OUT ON THE “REQUEST FOR VOTING INSTRUCTIONS” (VIF) THAT ACCOMPANIES THIS CIRCULAR.

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

VOTING OF PROXIES

The shares represented by a properly executed proxy in favour of persons proposed by management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

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

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

VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS OF VOTING SECURITIES

Voting Securities

As at the date of the accompanying Notice of Meeting, the Corporation's authorized capital consists of an unlimited number of common shares without par value of which 243,830.062 Common shares are issued and outstanding and an unlimited number of first and second preferred shares, none of which have been issued. All Common Shares in the capital of the Corporation carry the right to one vote.

Subject to the provisions of the *Business Corporations Act* (Alberta), a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote at the Meeting or a duly appointed proxyholder for an absent shareholder so entitled and together holding or representing by proxy not less than 5% of the outstanding Common Shares entitled to vote at the Meeting. For an ordinary resolution that is submitted to a vote at the Meeting, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of such a resolution. For a special resolution, two-thirds or the votes cast at the Meeting are required for the resolution to be approved.

Only shareholders of record at the close of business on April 20, 2023, (the "**Record Date**") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in his name on the list of shareholders, which is available for inspection during normal business hours at the offices of the Transfer Agent and will be available at the Meeting.

Principal Shareholders

To the knowledge of the directors and senior officers of the Corporation, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

Name	Number of Shares ⁽¹⁾	Percentage of Issued Capital
Allyn T. Knoche	35,213,324	14.4%
Peter M.D. Bradshaw	31,715,078	13.0%

- (1) As of April 26, 2023, the aggregate number of Common Shares owned or controlled by the management and directors of the Corporation and their associates or affiliates as reported by such persons on the SEDI website was 43,957,714 Common Shares, representing 21.1% of the total issued and outstanding Common Shares.

Notice to United States Shareholders

The solicitation of proxies by the Corporation is not subject to the requirements of Section 14(a) of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" as defined in Rule 3b-4 promulgated under the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Shareholders in the United States should be aware that such requirements are different than those of the United States applicable to proxy statements under the U.S. Exchange Act.

MATTERS TO BE ACTED UPON AT THE MEETING

The Meeting will address the following matters:

1. To receive and consider the Corporation's comparative audited consolidated financial statements as at and for the year ended December 31, 2022 and the auditor's report thereon;
2. To set the number of directors of the Corporation for the ensuing year at seven;
3. To elect seven directors of the Corporation to hold office until the close of the next annual general meeting of shareholders;
4. To re-appoint DeVisser Gray LLP as the auditor of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. To consider, and if thought advisable, to pass, with or without variation, an ordinary resolution in the form included in the Information Circular approving the Corporation's share compensation plan (the "**2023 Share Compensation Plan**"), as required by the policies of the TSX Venture Exchange (the "**TSXV**"), and
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

Determination of the Number of Directors

The authority to determine the number of directors of the Corporation rests with the shareholders. The Corporation's By-Laws provide that the number of directors, excluding additional directors, may be fixed or changed from time to time by ordinary resolution, but the Corporation's Articles of Incorporation stipulate the Board shall consist of a minimum of three directors and a maximum of ten directors. The number of directors on the Board is currently set at seven and Management proposes to maintain the Board size at seven members and shareholders will be asked at the Meeting to pass with or without variation an ordinary resolution to set the number of directors for the ensuing year at seven.

The Board recommends that shareholders vote FOR the ordinary resolution to fix the Board size at seven members. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the ordinary resolution to fix the Board size at seven members.

Election of Directors

Under the By-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting of the shareholders of the Corporation or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the By-laws.

On March 27, 2014, the Board adopted a Majority Voting policy that requires that any nominee for director who receives a greater number of votes "*withheld*" than votes "*for*" his or her election as a director shall submit his or her resignation to the Corporate Governance and Nominating Committee of the Board (for the purposes of this section, the "**Committee**") for consideration promptly following the meeting of shareholders. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Committee shall consider the resignation and shall provide a recommendation to the Board. The Board will consider the recommendation of the Committee and determine whether to accept the resignation within 30 days of the applicable meeting of shareholders and a news release will be issued by the Corporation announcing the Board's determination. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted.

Shareholders should note that, as a result of the Majority Voting policy, a "*withhold*" vote is effectively the same as a vote against a director nominee in an uncontested election.

The Corporation has adopted an advance notice policy (the "**Policy**") which provides among other things, that any additional director nominations for an annual general meeting must be received by the Corporation not less than 30 nor more than 65 days prior to the date of the meeting. As no nominations were received by April 3, 2023, being 10 days after the date of the Meeting was announced, Management's nominees for election as directors set forth below

shall be the only nominees eligible to stand for election at the Meeting.

The table below sets out the names, province or state and country of residence of the Nominees for election as directors, the offices they hold within the Corporation, their principal occupations, business or employment and, if not a previously elected director, occupation during the preceding five years, and the number of shares of the Corporation, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular. The information given in the table as to principal occupations and shares owned was furnished by each Nominee.

Nominee	Principal occupation or employment and, if not a previously elected director, occupation during the preceding five years	Served as director continuously since	Other position or office with the Issuer	Number of shares directly or indirectly owned or controlled as of the date hereof
Peter M.D.⁽⁴⁾ Bradshaw¹ British Columbia, Canada	Non-executive Chairman.	July 11, 1996	President and CEO prior to Feb. 13, 2012.	31,715,078
Anne R. Currie^(1,3,4) British Columbia, Canada	Consultant to Mining Companies	April 11, 2022	None	100,000
James S. Gilbert^(1,2,3,4) New Jersey, United States	Business Executive	February 13, 2012	None	1,110,551
Peter J. Marshall^(2,4) British Columbia, Canada	President P. J. Marshall Consulting	September 6, 2017	None	676,600
William H. Myckatyn^(2,4) British Columbia, Canada	Corporate Director	February 16, 1999	None	1,108,556
Robert B. Pease^(1,3,4) British Columbia, Canada	Corporate Director	November 21, 2017	None	1,708,300
Martin Turenne⁽⁴⁾ British Columbia, Canada	President, & Chief Executive Officer.	July 14, 2017	None	5,613,519

- (1) Denotes member of the Audit Committee. Chair: James Gilbert
- (2) Member of the Compensation Committee. Chair: William Myckatyn
- (3) Member of the Sustainability Committee. Chair: Anne Currie
- (4) Member of the Corporate Governance & Nominating Committee. Chair: Robert Pease

The Corporation does not have an executive committee of its Board. Pursuant to National Instrument 52-110 - *Audit Committees* (“NI 52-110”), the Corporation is required to have an Audit Committee of its Board of Directors. The members of the Audit Committee as of April 26, 2023 are James Gilbert, Anne Currie and Robert Pease, each of whom is an independent director. NI 52-110 also requires companies to provide disclosure with respect to their audit

committee including the text of the audit committee's charter and the fees paid to the external auditor. This information is set out in the Corporation's Annual Information Form ("AIF") dated April 19, 2022 under the heading "Information on Audit Committee". The AIF was filed under the Corporation's Profile on the System for Electronic Document Analysis and Retrieval (SEDAR) website, www.sedar.com on April 20, 2022.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Corporation acting solely in such capacity.

Corporate Cease Trade Orders or Bankruptcies

As at the date of the Circular, or within 10 years before the date of the Circular, none of the directors or executive officers of the Corporation is or was a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

except as set out below:

Mr. Pease was on the board of directors of Red Eagle Mining Corp. ("**Red Eagle**") which is subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, management's discussion and analysis, and certification of interim filings for the period ended September 30, 2018. Mr. Pease resigned as a director of Red Eagle on November 8, 2018.

For the purposes of the foregoing, "order" means

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Except as set out below, no director or executive officer of the Corporation, nor any shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

- (a) is, as at the date of the Circular, or has been within the 10 years before the date of the Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

Mr. Pease was on the board of directors of Red Eagle, which owned and operated the Santa Rosa mine in Colombia. Due to start up issues Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018 Red Eagle obtained a firm commitment from a third party to refinance the debt with substantial concessions and co-operation from the secured lenders, but in October 2018 the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle.

Mr. Pease was on the board of directors of Pure Gold Mining Inc. ("**Pure Gold**") until March 30, 2023. Pure Gold owns the Madsen Mining property, located near Red Lake Ontario. After redeveloping the property and processing facilities, Pure Gold experienced significant start up and operational difficulties. Consequently, on October 31, 2022, Pure Gold applied for and received an initial order for creditor protection from the Supreme Court of British Columbia (the "**Court**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). KSV Restructuring Inc. was appointed as the monitor. On November 10, 2022, the Court approved a Sales and Investment Solicitation Process Order, among other relief. On March 30, 2023, the Court approved Pure Gold's appointment of a Chief Administrative

Officer and all members of the Pure Gold board of directors resigned immediately. Pure Gold's common shares were suspended from trading on the NEX Board of the TSXV. The CCAA proceedings remain ongoing.

- (b) has, within the 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is or has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

The 2022 Financials

The 2022 Financials are being mailed to those shareholders of the Corporation who requested such financial statements. The 2022 Financials and the companion Management's Discussion & Analysis were filed under the Corporation's Profile on the SEDAR website at www.sedar.com on March 30, 2023 and are also available on the Corporation's website at www.fpxnickel.com. Copies of these documents will be available for inspection at the Meeting and shareholders and proxyholders will have the opportunity to discuss the results of the 2022 Financials with management at that time.

Appointment and Remuneration of the Auditor

The management of the Corporation will recommend to the Meeting the re-appointment of the Corporation's auditor, DeVisser Gray LLP, Chartered Professional Accountants, of 905 W. Pender Street, Suite 401, Vancouver, British Columbia V6C 1L6, to hold office until the close of the next Annual General Meeting of shareholders. It is proposed that the remuneration to be paid to the auditor be fixed by the directors, based upon the recommendation of the Audit Committee.

DeVisser Gray LLP ("DVG") has been acting as the Corporation's auditor since August, 1996.

The Board recommends that you vote FOR the re-appointment of DVG as independent auditor for the Corporation until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the auditor's remuneration.

Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DVG as the auditor of the Corporation until the close of the next annual meeting of the shareholders of the Corporation, or until its successor is appointed, and the authorization of the Board, upon recommendation of the Audit Committee, to fix the auditor's remuneration.

Information regarding the compensation of DVG is contained in the Corporation's AIF dated April 19, 2022 under the heading "Information on Audit Committee". The AIF is filed under the Corporation's Profile on the SEDAR website.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following information is presented in accordance with National Instrument Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers*. For the purposes of this Circular:

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"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;

“external management company” includes a subsidiary, affiliate or associate of the external management company;

“named executive officer” or **“NEO”** means each of the following individuals:

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

“plan” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

Named Executive Officers

During the financial year ending December 31, 2022, the Corporation had three NEOs, namely:

- (a) Martin Turenne, who has served as the Corporation’s President and Chief Executive Officer since December 1, 2015;
- (b) J. Christopher Mitchell, who was re-appointed as the Corporation’s Chief Financial Officer on December 1, 2015, having previously served in that position from July 2003 through August 31, 2012. Mr. Mitchell also serves as the Corporation’s Corporate Secretary, a position he has held since July 2003, and
- (c) Andrew C. Osterloh, who has served as the Corporation’s Vice-President, Projects, since his appointment to that position on June 21, 2021.

Compensation Discussion and Analysis

The Corporation's compensation objectives are to provide board members and executives with compensation that is in accordance with existing market standards generally and competitive within the mineral exploration and development sector. The process of determining board and executive compensation relies primarily on discussion amongst the Compensation Committee members, supplemented with surveys of the NEO compensation disclosure in the management information circulars of other companies in the sector having market capitalizations and scale of operations similar to the Corporation’s. From time to time, the Corporation also references publications by executive recruitment firms as an additional tool for bench-marking compensation arrangements for its executives and board members.

Since its incorporation in 1995, the Corporation’s long-term compensation for its directors and executives has consisted of stock options granted under the Corporation's stock option plan (as more particularly described below). The stock option plan is an important part of the Corporation's long-term incentive strategy for these individuals, permitting them to participate in any appreciation of the market value of the Corporation's common shares over a stated period of time. The stock option plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. While directors in recent years have typically been awarded 250,000 stock options annually,

the awards were reduced to 200,000 stock options per director in 2022, except for Ms. Currie, who was awarded an initial grant of 250,000 stock options upon being appointed a director in April 2022. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Corporation and the degree to which such officer's long-term contribution to the Corporation will be key to its long-term success.

NEO and Director Compensation, excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation or a subsidiary thereof, to each NEO and director of the Corporation, 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 of the Corporation for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary thereof for each of the two most recently completed financial years.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Martin Turenne President, CEO & Director	2022	320,000	155,000	Nil	Nil	Nil	475,000 ⁽¹⁾
	2021	280,833	200,000	Nil	Nil	Nil	480,833 ⁽¹⁾
J. Christopher Mitchell Corp. Sec. & CFO	2022	118,081	Nil	Nil	Nil	Nil	118,081 ⁽²⁾
	2021	116,288	10,000	Nil	Nil	Nil	126,288 ⁽²⁾
Andrew C. Osterloh Vice President - Projects	2022	273,000	108,000	Nil	Nil	Nil	381,000
	2021	132,692	67,750	Nil	Nil	Nil	200,442 ⁽³⁾
Peter M.D. Bradshaw Chairman & Director	2022	Nil	Nil	20,250	Nil	Nil	20,250
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Anne R. Currie Director	2022	Nil	Nil	15,000	Nil	Nil	15,000 ⁽⁴⁾
James S. Gilbert Director	2022	Nil	Nil	18,750	Nil	Nil	18,750
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Peter J. Marshall Director	2022	Nil	Nil	15,000	Nil	Nil	15,000
	2021	32,035	Nil	Nil	Nil	Nil	32,035 ⁽⁵⁾
William H. Myckatyn Director	2022	Nil	Nil	17,250	Nil	Nil	17,250
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Robert B. Pease Director	2022	Nil	Nil	17,250	Nil	Nil	17,250
	2021	Nil	Nil	Nil	Nil	Nil	Nil

- (1). Consulting fees and bonus paid or accrued to Martin Turenne Consulting Ltd., a private company controlled by Mr. Turenne
- (2). Consulting fees and bonus paid or accrued to Adera Corporation Management Inc., a private company controlled by Mr. Mitchell.
- (3). Salary and bonus paid to Mr. Osterloh for the period from June 21, 2021 through December 31, 2021.
- (4). Ms. Currie joined the Board on April 11, 2022
- (5). Consulting fees paid or accrued to Mr. Marshall for consulting services rendered to the Corporation by Mr. Marshall.

In November 2021, the CEO and the Compensation Committee agreed that the criteria to be used to determine the CEO's bonus for the 12 month period ending October 31, 2022 would consist of four elements, as set out below:

- (a) Share price appreciation (25% weighting). The point of reference shall be the percentage change in the 20-day Volume Weighted Average Price (“VWAP₂₀”) of the Corporation's common shares ending on the last trading day of October 2022 from the VWAP₂₀ of the Corporation's common shares ending on the last trading day of October 2021 measured against the median of the percentage change in the VWAP₂₀s for the same period for the “peer” group of companies listed below:

“Peer Group” Companies	Exchange
Amur Minerals	AIM
Australian Mines	ASX
Canada Nickel	TSXV
Centaurus Metals	ASX
Sunrise Energy Metals	ASX
Garibaldi Resources	TSXV
Giga Metals	TSXV
Horizonte	LSE
Nickel Creek Platinum	TSX
Nickel 28 Capital	TSXV
Polymet Mining	TSX
Sama Resources	TSXV
Talon Metals	TSXV

- Share price appreciation within 10% of the group median performance = 50% achievement of bonus target
 - Share price appreciation > 10% but <= 20% of the group median performance = 75% achievement of bonus target
 - Share price appreciation > 20% higher than the group median performance = 100% achievement of bonus target
- (b) Completion of the Board approved 2022 work programs (30% weighting)
- Baptiste trade-off studies
 - Van target drilling
 - Completion of the 2020/21 metallurgical test program and de-risk the metallurgical flowsheet
 - Geotechnical field program
 - Environmental baseline programs
 - Field tests of CO₂ sequestration
- (c) Closing one of more financing to raise a minimum of \$3 million (20% weighting)
- (d) Board discretionary component (25% weighting). This could include but not be limited to criteria such as:
- Advancing First Nations relationships
 - 2022 expenditures in not exceeding the Board approved 2022 Budget
 - Staff performance and composition
 - Attraction of investors
 - Continued engagement with potential strategic partners or investors
 - Other

In December 2022, the Compensation Committee met to determine the CEO's 2022 bonus, based on the foregoing criteria and the fact that his retainer for the 12 months ending October 31, 2022 was \$310,000, which would cap his 2022 bonus at \$155,000. It was noted that the share price appreciation element had fallen short of the 10% minimum. On the other hand, the CEO's achievements on elements (b) and (d) had exceeded those objectives significantly, and while no financing was completed in the period, a \$12 million private placement with a Corporate Strategic Investor

was closed on December 1, 2022. This financing will enable the Corporation to fund ongoing development activities at the Baptist Project, including the completion of a preliminary feasibility study and continuance of ongoing environmental baseline activities, as well as general corporate purposes. Meeting the criteria set out in elements (b), (c) and (d) (which had a combined weighting of 75% in calculating the 2022 bonus) would have resulted in a \$116,250 bonus. However, in the Compensation Committee's view, the CEO's success in securing an investment from the Corporate Strategic Investor, given that entity's financial and technical resources and recognition in the financial community, warranted paying the full amount of the bonus. Accordingly, the Compensation Committee recommended, and the Board approved payment of a CEO bonus of \$155,000 for the 12 month period ending October 31, 2022.

The CEO was paid a bonus of \$200,000 for the 12 month period ending October 31, 2021. Discussion relating to the calculation of this bonus is set out in last year's Circular, dated April 28, 2022.

Historically, the Corporation's directors have not received fees, given the need to preserve cash to fund project exploration and development work and G & A expenses. The Corporation's financial position improved considerably following the closing of the "bought deal" financing in April 2021, which prompted the Compensation Committee to conduct a review of Board compensation practices at a number of public companies with assets of less than \$100 million, as reported in *Board & Executive Compensation in the Mining Industry 2020*, published by The Bedford Consulting Group Inc., Toronto, Ontario. Based on its review of the Bedford report and information set out in those companies' Information Circulars filed on the SEDAR website, the Compensation Committee recommended that the Corporation implement a policy of paying director's fees, on the basis that each director receive a fee of \$20,000 per annum, with premia for Chairs of the Board, Audit Committee and each of the other Board Committees as follows: \$7,000, \$5,000 and \$3,000, respectively. These payments would place the Corporation's directors between the 25th and 50th percentile for companies with assets of less than \$100 million. The Board accepted these recommendations, which were implemented in the Second Quarter 2022.

Stock options and other compensation securities

Except for a stock option plan, the Corporation does not currently have any security-based awards or other deferred compensation plans in place. However, the Board is seeking shareholder approval of a new share compensation plan at the Meeting. The significant terms of the new plan are summarized in this Circular under the heading "PARTICULARS OF MATTERS TO BE ACTED UPON – Approval of 2023 Share Compensation Plan". The details of the 2023 Share Compensation Plan are set out in Schedule "A" attached hereto.

The following table sets out all compensation securities granted or issued to each NEO and director by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation during the Corporation's most recently completed financial year ended December 31, 2022.

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Martin Turenne President, CEO & Director	Stock Options	400,000 400,000 0.17%	2022-07-28	0.50	0.475	0.43	2027-07-28
J. Christopher Mitchell Corp. Sec. & CFO	Stock Options	240,000 240,000 0.10%	2022-07-28	0.50	0.475	0.43	2027-07-28

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Andrew C. Osterloh Vice President - Projects	Stock Options	400,000 400,000 0.17%	2022-07-28	0.50	0.475	0.43	2027-07-28
Peter M.D. Bradshaw Chairman & Director	Stock Options	240,000 240,000 0.10%	2022-07-28	0.50	0.475	0.43	2027-07-28
Anne Currie Director	Stock Options	250,000 250,000 0.10%	2022-04-11	0.80	0.78	0.43	2027-04-11
James S. Gilbert Director	Stock Options	200,000 200,000 0.08%	2022-07-28	0.50	0.475	0.43	2027-07-28
Peter J. Marshall Director	Stock Options	200,000 200,000 0.08%	2022-07-28	0.50	0.475	0.43	2027-07-28
William H. Myckatyn Director	Stock Options	200,000 200,000 0.08%	2022-07-28	0.50	0.475	0.43	2027-07-28
Robert B. Pease Director	Stock Options	200,000 200,000 0.08%	2022-07-28	0.50	0.475	0.43	2027-07-28

As of the last day of the most recently completed fiscal year:

- | | | | |
|---|-------------------------------------|---|-------------------------------------|
| 1 | Mr. Turenne held 3,100,000 Options | 2 | Mr. Mitchell held 1,440,000 Options |
| 3 | Mr. Osterloh held 1,000,000 Options | 4 | Mr. Bradshaw held 2,140,000 Options |
| 5 | Ms. Currie held 250,000 Options | 6 | Mr. Gilbert held 1,200,000 Options |
| 7 | Mr. Marshall held 1,350,000 Options | 8 | Mr. Myckatyn held 1,200,000 Options |
| 9 | Mr. Pease held 1,350,000 Options | | |

Exercise of compensation securities by NEOs and Directors

The table below discloses each exercise of compensation securities by NEOs and directors during the financial year ended December 31, 2022.

EXERCISE OF COMPENSATION SECURITIES BY NEOS AND DIRECTORS							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise in 2022	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Martin Turenne President, CEO & Director	Stock Options	250,000	0.15	Mar 10	0.75	0.60	150,000
		250,000	0.15	Mar 28	0.74	0.59	147,500
		300,000	0.15	Oct 27	0.415	0.265	79,500
J. Christopher Mitchell Corp. Sec. & CFO	Stock Options	100,000	0.15	Feb 15	0.66	0.51	51,000
		200,000	0.15	Mar 04	0.70	0.55	110,000
Andrew C. Osterloh Vice President - Projects	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
Peter M.D. Bradshaw Chairman & Director	Stock Options	300,000	0.15	Oct 24	0.35	0.20	60,000
Anne R. Currie Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
James S. Gilbert Director	Stock Options	250,000	0.15	Mar 04	0.70	0.55	137,500
Peter J. Marshall Director	Stock Options	100,000	0.15	Jul 29	0.48	0.33	33,000
		150,000	0.15	Aug 11	0.48	0.33	49,500
William H. Mykatyn Director	Stock Options	250,000	0.15	Feb 02	0.68	0.53	132,500
Robert B. Pease Director	Stock Options	250,000	0.10	Nov 09	0.40	0.30	75,000

Termination and Change of Control Benefits

The Corporation has a professional services agreement with Martin Turenne Consulting Ltd. (the “**Consultant**”), a management company owned by Mr. Turenne that provides the services of Mr. Turenne to serve as the Corporation’s President & Chief Executive Officer (the “**Turenne PSA**”). The Turenne PSA contains termination and change of control benefits clauses as follows:

If the Turenne PSA is terminated:

- (a) by the Corporation without cause; or
- (b) by the Consultant following:
 - (i). a Constructive Dismissal; or
 - (ii). a Change of Control,

the Corporation shall pay the Consultant a Termination Benefit comprised of the following amounts:

- the amount of any unpaid monthly installment of the annual retainer, prorated on the number of calendar days in the month from the beginning of the month through the Date of Termination;
- all outstanding expense reimbursements;
- an amount equal to two years of the then current annual retainer; and
- an amount equal to twice the amount of the most recent bonus.

The Corporation entered into a consulting services agreement effective July 1, 2010 with Adera Corporation Management Inc. (“Adera”), a management company owned by Mr. Mitchell that provides the services of Mr. Mitchell to serve as the Corporation’s Chief Financial Officer & Corporate Secretary (the “Mitchell CSA”). The Mitchell CSA contains termination and change of control benefits clauses as follows:

If the Mitchell CSA is terminated:

- (a) by the Corporation without cause; or
- (b) by Adera following:
 - (i). a Constructive Dismissal; or
 - (ii). a Change of Control,

the Corporation shall pay Adera a Termination Benefit calculated using a years-of-service formula. If the Mitchell CSA had terminated on December 31, 2022, the termination benefit would have been \$174,600.

The employment arrangement with Mr. Osterloh includes provisions that if his employment is terminated, he will receive a termination benefit under certain conditions:

- (a) a termination by the Corporation without cause; or
- (b) a termination by Mr. Osterloh following an event that constitutes Constructive Dismissal,

the termination benefit shall equal 100% of his annual salary plus 100% of the amount of his most recent annual bonus.

Following a Change of Control, if Mr. Osterloh’s employment is terminated without cause within 12 months of the effective date of the Change of Control, the termination benefit will equal 200% of his annual salary plus 200% of the amount of his most recent annual bonus.

Perquisites and Other Personal Benefits

The Corporation’s NEOs and Directors currently are not provided with significant perquisites or other personal benefits. Directors are reimbursed for out-of-pocket expenses incurred in the course of discharging their duties as directors.

PENSION PLAN BENEFITS

The Corporation has no pension plans for its directors, officers or employees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at December 31, 2022, the Corporation had equity securities authorized for issuance as shown in the table below:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	16,190,000	\$0.388	7,940,786
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	16,190,000	\$0.388	7,940,786

As at the date of this Circular, options on a total of 13,840,000 common shares at a weighted average price of \$0.434 per share have been granted to the Corporation's directors, officers, employees and consultants. All outstanding stock options are subject to the terms and conditions of the Stock Option Plan.

INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, former directors, executive officers and employees of the Corporation or any of its subsidiaries, proposed nominees for election, or any associates of the foregoing persons is as at the date hereof or has been indebted to the Corporation (other than routine indebtedness) since the beginning of the most recently completed financial year of the Corporation. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or executive officer of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Corporation's last financial year in matters to be acted upon at the Meeting, other than the election of directors or the appointment of the auditor.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Corporation's last completed financial year, other than as disclosed elsewhere in this Circular, no informed person of the Corporation, any proposed nominee for election as a director or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction or in any proposed transaction which, in either case, has materially affected or would materially affect the Corporation. The term "informed person" as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*, means:

- (a) a director or executive officer of a reporting issuer;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person of company as underwriter in the course of a distribution; and
- (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

As disclosed in Item 4.6 – *CO2 Lock Corp.* in the Corporation's Annual Information Form dated April 19, 2022 filed under the Corporation's Profile on the SEDAR website, on April 20, 2022, the Corporation acquired approximately a 76% interest in CO2 Lock Corp., a private British Columbia company. Messrs. Bradshaw, Knoche, Marshall, Myckatyn and Turenne, each, an "informed person" participated in this financing on the same terms as arm's length investors and acquired in the aggregate approximately a 4% interest in CO2 Lock Corp. Currently the Corporation holds an approximately 88.2% interest in CO2 Lock Corp.

MANAGEMENT CONTRACTS

Other than as disclosed herein, no management functions of the Corporation or any of its subsidiaries are to any substantial degree performed by a person other than a director or executive officer of the Corporation or any of its subsidiaries.

Professional Services Agreement – Martin Turenne Consulting Ltd. (the “Turenne PSA”)

The Corporation and Martin Turenne Consulting Ltd. executed the Turenne PSA effective January 1, 2019 pursuant to which Martin Turenne Consulting Ltd. provides the services of Mr. Turenne to serve as the President & Chief Executive Officer of the Corporation.

The Turenne PSA provides for the payment of an annual retainer, payable in 12 monthly installments to the Consultant commencing each November 1st. The retainer is reviewed annually by the Corporation’s Compensation Committee and its recommendation is submitted to the board of directors for its consideration at its November meeting. The annual retainer for the 12-month period ending October 31, 2022 was \$310,000 and was increased to \$370,000 for the 12-month period ending October 31, 2023.

The Consultant is eligible to receive an annual bonus not to exceed 50% of the annual retainer. Each year the elements and criteria to be used to calculate the bonus for the period from November 1st of the current year to October 31st of the following year is reviewed by the Compensation Committee, following which, it submits its recommendation to the Board for its consideration.

The elements and their weightings to be used in calculating the bonus for the 12-month period ending October 31, 2023 are as follows;

- Share price appreciation (25% weighting) based upon comparison to a “peer” group of 15 companies.
- Completion of the board approved 2022 work programs (20% weighting)
- Closing one or more financings to raise a minimum of \$3 million (20% weighting)
- Board discretionary component (35% weighting).

Consulting Services Agreement – Adera Corporation Management Inc. (the “Mitchell CSA”)

The Corporation and Adera Corporation Management Inc. (“Adera”). executed the Mitchell CSA effective November 1, 2020 pursuant to which Adera provides the services of Mr. Mitchell to serve as the Chief Financial Officer & Corporate Secretary of the Corporation for an hourly fee. The hourly fee was most recently adjusted effective November 1, 2020, when it was increased to \$175.00 per hour.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201 – *Corporate Governance Guidelines*. These Guidelines are not prescriptive but have been used by the Corporation in formulating its corporate governance policies. The Corporation’s approach to corporate governance is set out in Schedule “B” to this Circular.

The Board is constantly engaged in an ongoing review of the Corporation’s corporate governance practices. The Board considers good corporate governance to be central to the effective and efficient operations of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of 2023 Share Compensation Plan

On November 14, 2016, the Board adopted a stock option plan (the “2016 Stock Option Plan”) whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Corporation, as at the date of the grant. The 2016 Stock Option Plan was subsequently approved by the shareholders at the Corporation’s annual general and special meeting of shareholders held on May 25, 2017. Pursuant to the policies of the TSXV, such plans require annual approval by the shareholders. There were no changes to the 2016 Plan between the approval on May 25, 2017 and when it was last approved by the shareholders at the Corporation’s annual general and special meeting held on May 27, 2021.

On November 24, 2021, the TSXV issued a revised Policy 4.4 – *Security Based Compensation*. The revisions included provisions allowing stock option plans to explicitly permit stock options to be exercised on both a “cashless” and a

“net” basis. At the annual general and special meeting of shareholders held on May 26, 2022, the shareholders approved certain amendments to the 2016 Stock Option Plan, including, *inter alia* incorporating the cashless and net exercise mechanisms in the amended plan (the “**2022 Amended and Restated Stock Option Plan**”). The material terms of the 2022 Amended and Restated Stock Option Plan were provided in the Corporation’s Circular dated April 28, 2022 for the annual general and special meeting of shareholders of the Corporation held on May 26, 2022, which is available on SEDAR.

On April 26, 2023, following the recommendation of the Compensation Committee of the Board (the “**Compensation Committee**”), the Board adopted a new share compensation plan (the “**2023 Share Compensation Plan**”), replacing the 2022 Amended and Restated Stock Option Plan to comply with certain amendments made by the TSXV to its policies regarding security based compensation.

The 2023 Share Compensation Plan is a “rolling up to 10%” omnibus plan pursuant to which the total number of Common Shares which may be issued pursuant to the exercise of restricted share units (“**RSUs**”), stock options (“**Options**”) or deferred share units (“**DSUs**”) awarded or granted under the 2023 Share Compensation Plan, in the aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares at the time of the award or grant.

The TSXV requires all listed companies with a “rolling up to 10%” plan, such as the 2023 Share Compensation Plan, to obtain shareholder approval for such plan on an annual basis. Accordingly, at the Meeting, shareholders will be asked to vote on an ordinary resolution (the “**Plan Resolution**”) to approve, for the ensuing year, the 2023 Share Compensation Plan as described below. A copy of the 2023 Share Compensation Plan is attached as Schedule “A”.

As of the date of the Circular, there are 13,840,000 Options, no RSUs and no DSUs outstanding reserving for issuance a total of 13,840,000 Common Shares, being approximately 5.68% of the 243,830,062 Common Shares issued and outstanding. Subject to shareholder approval of the Plan Resolution, any future Options, RSUs and DSUs awarded or granted by the Corporation would be governed by the 2023 Share Compensation Plan.

Other than as set out elsewhere in this Circular, the Corporation does not have any other incentive plans.

The 2023 Share Compensation Plan remains subject to the approval of the TSXV. If the TSXV finds the disclosure to shareholders herein to be inadequate, Shareholder approval may not be accepted.

Particulars of the 2023 Share Compensation Plan

Overview

The 2023 Share Compensation Plan (the “**Plan**”) that the Board may from time to time, in its discretion, award or grant to the Eligible Person (as such term is defined below) selected by the Administrators (as such term is defined below) to participate in the Plan (each, a “**Participant**”), who may include participants who are citizens or residents of the United States (each, a “**US Participant**”), with the opportunity, through RSUs, Options, and DSUs, to acquire an ownership interest in the Corporation.

The purpose of the Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

The RSUs and DSUs will rise and fall in value based on the value of the Common Shares. Unlike the Options, the RSUs and DSUs will not require the payment of any monetary consideration to the Corporation. Instead, each RSU represents a right to receive one Common Share or a lump sum payment in cash following the attainment of vesting criteria determined by the Administrators at the time of the award (subject to TSXV policies).

The Options, on the other hand, are rights to acquire Common Shares upon payment of monetary consideration (i.e., the exercise price), subject also to vesting criteria determined at the time of the grant.

The Administrators may fix, from time to time, a portion of the director fees that is to be payable in the form of DSUs. In addition, each Participant who is, on the applicable election date, a director who is not an employee (the “**Electing**

Person”) may be given the right to elect to participate in the grant of additional DSUs. An Electing Person who elects to participate in the grant of additional DSUs shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The **“Elected Amount”** shall be an amount, as elected by the director, in accordance with applicable tax law, between 0% and 100% of any director fees that are otherwise intended to be paid in cash (the **“Cash Fees”**).

Purpose of the Plan

The stated purpose of the Plan is to advance the interests of the Corporation and its subsidiaries, and its shareholders by: (a) ensuring that the interests of Participants are aligned with the success of the Corporation and its subsidiaries; (b) encouraging stock ownership by such persons; and (c) providing compensation opportunities to attract, retain and motivate such persons.

The following people (each, an **“Eligible Person”**) are eligible to participate in the Plan: any director, officer, employee, management Corporation employee or consultant.

Administration of the Plan

The Plan is administered by the Board or such other persons as may be designated by the Board from time to time (the **“Administrators”**) through the recommendation of the Compensation Committee. The Administrators determine the eligibility of persons to participate in the Plan, when RSUs, Options, or DSUs will be awarded or granted, the number of RSUs, Options and DSUs to be awarded or granted, the vesting criteria for each award of RSUs, vesting period for each grant of Options and the vesting criteria for each award of DSU, and all other terms and conditions of each award and grant, in each case in accordance with applicable securities laws and the requirements of the TSXV.

Number of Common Shares Issuable under the Plan

The Common Shares that are issuable pursuant to RSUs, Options, and DSUs awarded or granted under the Plan and other securities issuable under any other share compensation arrangements of the Corporation (collectively, the **“Security Based Compensation”**), in aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares as of the date of award or grant.

Restrictions on the Award or Grant of Security Based Compensation

The Security Based Compensation under the Plan is subject to a number of restrictions:

- (a) the total number of Common Shares issuable pursuant to all Security Based Compensation granted or awarded under the Plan and any other share compensation arrangements of the Corporation cannot exceed 10% of the Common Shares then outstanding. For greater certainty, any RSUs and DSUs that must be settled in cash in accordance with the RSU Agreement and the DSU Agreement (as these terms are defined below) approved by the Administrators at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Plan as required by the policies of the TSXV;
- (b) unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant in any 12 month period cannot exceed 5% of the Common Shares then outstanding;
- (c) the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to any one consultant shall not exceed 2% of the issued and outstanding Common Shares then outstanding; and
- (d) the maximum aggregate number of Common Shares issuable pursuant to all Options granted to Investor Relations Service Providers (as such term is defined in the Plan) under the Plan and any other share compensation arrangements of the Corporation in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares; provided, that Options granted to any and all Investor Relations Service Providers must vest in stages over a period of not less than 12 months with no more than one-quarter of the Options vesting in any three month period in accordance with the vesting requirements set out in the TSXV’s policies.

The following restrictions also apply to the Plan in accordance with TSXV Policy 4.4:

- (a) All Security Based Compensation granted or issued under the Plan is non-assignable and non-transferable;
- (b) Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to Insider Participants (as such term is defined in the Plan) as a group shall not exceed 10% of the issued and outstanding Common Shares at any point in time;
- (c) Unless the Corporation obtains disinterested shareholder approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to Insider Participants as a group (together with those Common Shares issuable pursuant to any other share compensation arrangement) shall not exceed 10% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider Participant;
- (d) Investor Relations Service Providers may not receive any Security Based Compensation other than Options; and
- (e) Any Security Based Compensation granted or issued to any Participant who is a director, officer, employee, consultant or management Corporation employee must expire within 12 months following the date the Participant ceases to be an Eligible Person under the Plan.

Restricted Share Units

The Administrators may award RSUs to Eligible Persons (other than Investor Relations Service Providers).

(a) Mechanics for RSUs

RSUs awarded to Participants under the Plan are credited to an account that is established on their behalf and maintained in accordance with the Plan. After the vesting criteria of any RSUs awarded under the Plan are satisfied, a Participant shall be entitled to receive and the Corporation shall issue or pay (at its discretion): (i) a lump sum payment in cash equal to the number of vested RSUs recorded in the Participant's RSU account multiplied by the market price of the Common Shares traded on the TSXV on the payout date; (ii) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's RSUs in the Participant's RSU account will be, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or (iii) any combination of thereof.

(b) Vesting Provisions

The Plan provides that: (i) at the time of the award of RSUs, the Administrators shall, subject to the TSXV rules, determine the vesting criteria applicable to the RSUs provided that, subject to certain exceptions set out in the Plan, no RSUs may vest before the date that is one year following the date of award; (ii) vesting of RSUs may include criteria such as performance vesting; (iii) each RSU shall be subject to vesting in accordance with the terms set out in an agreement evidencing the award of the RSU, which is attached as Exhibit A to the Plan (or in such form as the Administrators may approve from time to time) (the "**RSU Agreement**"); and (iv) all vesting and issuances or payments in respect of an RSU shall be completed no later than December 15 of the third calendar year commencing after the award date for such RSU.

(c) Termination, Retirement and Other Cessation of Employment in connection with RSUs

A person participating in the Plan will cease to be eligible to participate in the following circumstances: (i) receipt of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause); (ii) retirement; and (iii) any cessation of employment or service for any reason whatsoever, including disability and death (an "**Event of Termination**"). In such circumstances, any vested RSUs will be issued as soon as practicable after the Event of Termination (and with respect to each RSU of a US Participant, such RSU will be settled and shares issued as soon as practicable following the date of vesting of such RSU as set forth in the applicable RSU Agreement, but in all cases within 60 days following such date of vesting); and, unless otherwise determined by the Administrators in their discretion and subject

to the requirements set out in section 4.6 of TSXV Policy 4.4, any unvested RSUs shall vest and be settled before the earlier of (i) the vesting schedule set out in the applicable RSU Agreement and (ii) 12 months after the date of the Event of Termination (and with respect to any RSU of a US Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to an RSU that is unvested at the time of an Event of Termination, such RSU shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares delivered following the date of vesting date of such RSU as set forth in the applicable RSU Agreement).

If an Event of Termination occurs involving the death of a Participant occurs and such Participant is entitled to any RSUs under the Plan, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

Subject to section 2.3(e) of the Plan and section 4.6 of TSXV Policy 4.4, notwithstanding the above, if a person retires in accordance with the Corporation's retirement policy at such time, any unvested performance-based RSUs shall not be forfeited or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable RSU Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, have been met on the applicable date.

For greater certainty, if a person is terminated for just cause or if a Participant resigns without good reason, all unvested RSUs will be forfeited and cancelled.

It is the current intention that RSUs may be awarded with both time-based vesting provisions as a component of the Corporation's annual incentive compensation program, and performance-based vesting provisions as a component of the Corporation's long-term incentive compensation program.

Under the Plan, should the date of vesting of an RSU fall within a blackout period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the date of vesting for such RSU for all purposes under the Plan.

Stock Options

The Administrators may at any time and from time to time grant Options to Eligible Persons.

(a) Mechanics for Options

Each Option granted pursuant to the Plan will entitle the holder thereof to the issuance of one Common Share upon achievement of the vesting criteria and payment of the applicable exercise price. Options granted under the Plan will be exercisable for Common Shares issued from treasury once the vesting criteria established by the Administrators at the time of the grant have been satisfied.

(b) Vesting Provisions

The Plan provides that the Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The agreement evidencing the grant of the Option attached as Exhibit B to the Plan (or in such form as the Administrators may approve from time to time) (the "**Option Agreement**") will disclose any vesting conditions prescribed by the Administrators.

(c) Termination, Retirement and Other Cessation of Employment in connection with Options

A person participating in the Plan will cease to be eligible to participate where there is an Event of Termination. In such circumstances, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall, unless otherwise determined by the Administrators in their discretion, vest before the earlier of (i) the vesting schedule set out in the applicable Option Agreement and (ii) 12 months after the date of the Event of Termination. There can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

Except as otherwise stated in the Plan or otherwise determined by the Administrators in their discretion, any vested Options may be exercised only before the earlier of: (i) the expiry of the Option; and (ii) six months after the date of the Event of Termination.

If a person is terminated for just cause or if a Participant resigns without good reason, all Options (whether or not then exercisable) shall automatically be cancelled.

If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Options under the Plan, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

(d) Cashless Exercise

Subject to prior approval by the Administrators, a Participant may elect cashless exercise. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate exercise price of the Options. Instead, the following will apply:

- (i) Whereby the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Common Shares underlying the Options. The brokerage firm then sells a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Common Shares from the exercise of the Options and the Participant then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares.
- (ii) Before the relevant trade date, the Participant will deliver the Option exercise notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Participant's Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Corporation of (i) the exercise price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.
- (iii) The broker will deliver to the Participant the remaining value of the Options, net of any brokerage commission or other expenses (the "**In-the-Money Amount**"), in either (i) cash in an amount equal to the In-the-Money-Amount, or (b) such number of Common Shares (rounded down to the nearest whole number) having a fair market price equal to the In-the-Money Amount, plus a cash amount equal to the fraction of a Common Share that would otherwise be issuable multiplied by the fair market price of a Common Share.

(e) Net Exercise

Subject to prior approval by the Administrators, a Participant, excluding Investor Relations Service Providers, may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options;

Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;

A = The volume weighted average trading price of the Common Shares; and

B = The exercise price for such Options.

(f) Other Terms

The Administrators will determine the exercise price and term/expiration date of each Option, provided that the exercise price in respect of that Option shall not be less than the Discounted Market Price on the date of grant. “**Discounted Market Price**” is defined in the TSXV Policy 1.1.

No Option shall be exercisable after ten years from the date the Option is granted. Should the term of an Option expire on a date that falls within a blackout period formally imposed by the Corporation, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the expiration date for such Option for all purposes under the Plan.

Deferred Share Units

The Administrators may fix, from time to time, a portion of the director fees that is to be payable in the form of DSUs.

(a) Mechanics for DSUs

Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in accordance with the time frames set forth in the Plan. If no election is made within the required time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

Each Electing Person who is not a US Participant is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing written notice. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a blackout period. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with the provisions in the Plan, all subsequent calendar years shall be paid in cash.

An election by a US Participant to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which a termination notice is delivered.

The number of DSUs (including fractional DSUs) granted at any particular time will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including director fees and any Elected Amount), as determined by the Administrator, by (ii) the market price of a Common Share on the award date.

DSUs shall be settled on the date established in the DSU Agreement (as such term is defined below) provided, however that in no event shall a DSU be settled prior to a Participant’s termination date, or, in the case of a Canadian Participant, later than one year following the date of the applicable Canadian Participant’s termination date. In the case of a Participant (other than a Canadian Participant), in no event shall a DSU be settled later than three years following the date of the applicable Participant’s termination date, as more particularly set out in the Plan.

(b) Vesting Provisions

DSUs shall vest on the date that is 12 months following the date of grant or issue. All DSUs awarded shall be evidenced by a DSU agreement between the Corporation and the Participant, attached as Exhibit D to the Plan or in such other form as the Administrators may approve from time to time (the “**DSU Agreement**”).

(c) Termination, Retirement and Other Cessation of Employment in connection with DSUs

If an Event of Termination has occurred in respect of any Participant, (i) any and all Common Shares corresponding to any vested DSUs in the Participant’s DSU account shall be issued as soon as practicable after the Event of Termination to the former Participant; and (ii) any unvested DSUs in the Participant’s DSU

account shall, unless otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (a) the vesting schedule set out in the applicable DSU Agreement and (b) 12 months after the date of the Event of Termination.

If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any DSUs, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

Subject to section 2.3(e) of the Plan and section 4.6 of TSXV Policy 4.4, if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested performance-based DSUs in the Participant's DSU account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable DSU Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.

If a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested DSUs in the Participant's DSU account shall forthwith and automatically be forfeited by the Participant and cancelled.

Under the Plan, should the date of vesting of a DSU fall within a blackout period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the blackout period, such tenth business day to be considered the date of vesting for such DSU for all purposes under the Plan.

Change of Control

Subject to section 2.3(e) of the Plan and section 4.6 of TSXV Policy 4.4, if there is a Change of Control (as such term is defined in the Plan) then, notwithstanding any other provision of the Plan except certain provisions of the Plan which will continue to apply in all circumstances, any or all unvested RSUs and any or all Options (whether or not currently exercisable) and any or all unvested DSUs shall automatically vest or become exercisable, as applicable, such that Participants under the Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such RSUs, Options and DSUs to the Corporation or a third party or exchanging such RSUs, Options or DSUs, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion.

For greater certainty, the occurrence of a Change of Control will not trigger the right of a Participant to receive a payment in respect of a DSU prior to a termination date for such Participant. For clarity, RSUs, Options or DSUs of a Participant will only be accelerated as contemplated in section 7.2(a) of the Plan if such Participant ceases to be an Eligible Person in connection with the Change of Control.

Notwithstanding the foregoing, there can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

Transferability

RSUs, Options and DSUs awarded or granted under the Plan or any rights of a Participant cannot be transferred, assigned, charged, pledged or hypothecated, or otherwise alienated, whether by operation of law or otherwise.

Reorganization and Change of Control Adjustments

In the event of any declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of the Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation, distribution (other than normal course cash dividends) of Corporation assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the Common Shares, the Administrators may, subject to any relevant resolutions of the Board and necessary TSXV approvals, and

without liability to any person, make such changes or adjustments, if any, as the Administrators consider fair or equitable, to reflect such change or event including, without limitation, adjusting the number of RSUs, Options and DSUs outstanding under the Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the exercise price of Options outstanding under the Plan, provided that the value of any RSU, Option and DSU immediately after such an adjustment shall not exceed the value of such RSU, Option and DSU prior thereto.

Amendment Provisions in the Plan

The Board may amend the Plan or any RSU or Option or DSU at any time without the consent of any Participant provided that such amendment shall:

- (a) not adversely alter or impair any RSU previously awarded or any Option previously granted or any DSU previously awarded, except as permitted by the adjustment provisions of the Plan and with respect to RSUs, Options and DSUs of US Participants, such amendment will not result in the imposition of taxes under section 409A of the U.S. Internal Revenue Code of 1986, as amended;
- (b) be subject to any regulatory approvals including, where required, the approval of the TSXV; and
- (c) be subject to shareholder approval, where required by the requirements of the TSXV, provided that shareholder approval shall not be required for the following amendments:
 - (i) amendments of a “housekeeping nature”, including any amendment to the Plan or a RSU or Option or DSU that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or a RSU or Option or DSU to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein; and
 - (ii) amendments that are necessary or desirable for RSUs or Options or DSUs to qualify for favourable treatment under any applicable tax law;
- (d) be subject to disinterested shareholder approval in the event of any reduction in the exercise price, or the extension of the term, of any Option granted under the Share Compensation Plan to an Insider Participant.

For greater certainty, shareholder approval will be required in circumstances where an amendment to the Plan would:

- (a) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
- (b) increase the limits of the total number of Common Shares that are issuable pursuant to all Security Based Compensation granted or awarded under the Plan;
- (c) reduce the exercise price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower exercise price to the same person);
- (d) extend the term of any Option beyond the original term (except if such period is being extend by virtue of a blackout period); or
- (e) amend the amendment provisions set out in the Plan.

A full copy of the Plan will be available for inspection at the Meeting and is attached as Schedule “A” hereto.

Approval of 2023 Share Compensation Plan Resolution (the “Plan Resolution”)

In accordance with the policies of the TSXV, the Plan Resolution must be passed by a majority of the votes cast on the resolution by all shareholders at the Meeting. The Plan Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote in order for the 2023 Share Compensation Plan to be approved.

As of date of this Circular, there are 13,840,000 Options, no RSUs and no DSUs outstanding reserving for issuance of a total of 13,840,000 Common Shares, being approximately a total of 5.68% of the issued and outstanding Common

Shares. If the Plan Resolution is passed by the shareholders, an additional 10,543,006 Options, RSUs and DSUs will be available for grant based on the 243,830,062 issued and outstanding Common Shares as of the date of this Circular.

The Plan Resolution is as follows:

“RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Subject to regulatory approval, the 2023 Share Compensation Plan (the “**Plan**”) as described in and attached as Schedule “A” to the Circular, with the award or grant of RSUs, Options and DSUs thereunder in accordance therewith, be approved and adopted, subject to any amendments as may be required by the TSXV, and shall continue and remain in effect until further ratification is required pursuant to the rules of the TSXV or other applicable regulatory requirements.
2. The maximum number of Common Shares reserved for issuance under the Plan shall be no more than 10% of the Corporation’s issued and outstanding share capital at the time of any RSU, Option or DSU award or grant.
3. For greater certainty, any RSUs and DSUs that must be settled in cash in accordance with the RSU agreement and DSU Agreement approved by the administrators of the Plan at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Plan as required by the policies of the TSXV.
4. The Corporation be authorized and directed to issue such Common Shares pursuant to the Plan as fully paid and non-assessable Common Shares.
5. Any one director or officer of the Corporation be authorized to make any changes to the Plan, as may be required or permitted by the TSXV.
6. Any one director or officer of the Corporation be authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.
7. The directors of the Corporation 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 the shareholders.”

The Plan Resolution must be approved by a simple majority approval of the votes cast by the holders of Common Shares. If the Plan is not approved by the shareholders, the Corporation will have to consider other methods of compensating and providing incentives to directors, officers, employees and consultants.

Management recommends a vote “FOR” the approval of the Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed Proxy intend to vote FOR the approval of the Plan Resolution.

ADDITIONAL INFORMATION

Additional information concerning the Corporation is available under the Corporation’s Profile on the SEDAR website at www.sedar.com. Financial information about the Corporation is provided in the Corporation’s comparative annual financial statements for the year ended December 31, 2022, a copy of which, together with the Management’s Discussion and Analysis thereon can be found under the Corporation’s Profile on the SEDAR website.

Shareholders wishing to obtain a copy of the Corporation’s audited consolidated financial statements and MD&A may contact the Corporation as follows:

FPX Nickel Corp.
Suite 320 - 1155 West Pender Street
Vancouver, British Columbia V6E 2P4

Disclosure in respect of the Corporation's Audit Committee is set out in the AIF dated April 19, 2022, a copy of which has been filed under the Corporation's Profile on the SEDAR website.

BOARD APPROVAL

The contents of this Circular including the schedules attached hereto, and the sending thereof to shareholders entitled to receive notice of the Meeting, to each director, to the auditor of the Corporation and to the appropriate governmental agencies, have been approved in substance by the directors of the Corporation pursuant to resolutions passed as of April 26, 2023.

DATED at Vancouver, British Columbia the 26th day of April 2023.

/s/ Martin Turenne

President & Chief Executive Officer

**Schedule “A”
to Information Circular of FPX NICKEL CORP.**

2023 SHARE COMPENSATION PLAN

1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** For purposes of the Plan, unless the context requires otherwise, the following words and terms shall have the following meanings:

- (a) “**1933 Act**” means the United States Securities Act of 1933, as amended;
- (b) “**Administrators**” means the Board or such other persons as may be designated by the Board from time to time;
- (c) “**affiliate**” has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (d) “**Associate**” has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (e) “**Award Date**” means: (i) for Restricted Share Units, the date or dates on which an award of Restricted Share Units is made to a Participant in accordance with section 4.1; and (ii) for Deferred Share Units, the date or dates on which an award of Deferred Share Units is made to a Participant in accordance with section 6.1;
- (f) “**Blackout Period**” means the period during which designated Directors, Officers and Employees of the Corporation cannot trade the Common Shares as a result of the bona fide existence of undisclosed material information pursuant to the Corporation’s policy respecting restrictions on Directors’, Officers’ and Employee trading which is in effect at that time (which, for greater certainty, (i) does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an insider, that insider is subject, and (ii) shall expire following the general disclosure of undisclosed material information;
- (g) “**Board**” means the board of directors of the Corporation from time to time;
- (h) “**Business Day**” means each day other than a Saturday, Sunday or statutory holiday in Vancouver, British Columbia, Canada;
- (i) “**Canadian Participant**” means a Participant who is a resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (j) “**Cash Fees**” has the meaning ascribed to that term in subsection 6.1(a);
- (k) “**Change of Control**” means:
 - (i) the acceptance of an Offer by a sufficient number of holders of voting shares in the capital of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation),
 - (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation or any parent entity, or
 - (iii) the completion of a sale whereby all or substantially all of the Corporation’s undertakings and assets become the property of any other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale;

- (l) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended;
- (m) “**Common Shares**” means the common shares of the Corporation;
- (n) “**Consultant**” means an individual (other than a Director, Officer or Employee of the Corporation or any of its Subsidiaries) or company that is not a U.S. Person that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to an offer or sale of securities of the Corporation in a capital-raising transaction, or services that promote or maintain a market for the Corporation’s securities;
 - (ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the company, as the case may be; and
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries.
- (o) “**Corporation**” means FPX Nickel Corp., a corporation existing under the *Business Corporations Act* (Alberta) and the successors thereof;
- (p) “**Discounted Market Price**” has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (q) “**Deferred Share Unit**” or “**DSU**” means any right granted under Article 6 of this Plan;
- (r) “**Deferred Share Unit Agreement**” has the meaning ascribed to that term in section 3.2;
- (s) “**Director**” means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;
- (t) “**Director Fees**” means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;
- (u) “**DSU Account**” has the meaning ascribed to that term in section 6.8.
- (v) “**Effective Date**” means April 28, 2023;
- (w) “**Electing Person**” means a Participant who is, on the applicable Election Date, a Director who is not an Employee;
- (x) “**Elected Amount**” has the meaning set forth in subsection 6.1(a);
- (y) “**Election Date**” means the date on which the Electing Person files an Election Notice in accordance with subsection 6.1(b);
- (a) “**Election Notice**” has the meaning set forth in subsection 6.1(b);
- (b) “**Eligible Person**” means any Director, Officer, Employee, Management Company Employee or Consultant to whom an award has been granted under this Plan;
- (c) “**Employee**” means an individual who:
 - (i) is considered an employee of the Corporation or a Subsidiary of the Corporation for purposes of source deductions under applicable tax or social welfare legislation; or
 - (ii) works full-time or part-time on a regular weekly basis for the Corporation or a Subsidiary of the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or a Subsidiary of the Corporation over the details and methods of work as an employee of the Corporation or such Subsidiary, and, for greater certainty, includes any Executive Chairman of the Corporation.
- (d) “**Event of Termination**” means an event whereby a Participant ceases to be an Eligible Person and shall be deemed to have occurred by the giving of any notice of termination of employment or

service (whether voluntary or involuntary, whether with or without cause and whether with or without reason), retirement, or any cessation of employment or service for any reason whatsoever, including disability or death;

- (e) “**Exchange**” means any stock exchange or quotation system in Canada where the Common Shares are listed on or through which the Common Shares are listed or quoted;
- (f) “**Exercise Price**” means the price at which a Common Share may be purchased pursuant to the exercise of an Option;
- (g) “**Grant Date**” means the date on which a grant of Options is made to a Participant in accordance with section 5.1;
- (h) “**In-the-Money Amount**” has the meaning ascribed to that term in subsection 5.7(c);
- (i) “**insider**” has the meaning attributed to that term in Policy 1.1 of the TSXV;
- (j) “**Insider Participant**” means a Participant who is (i) an insider of the Corporation or any of its Subsidiaries, and (ii) an associate of any person who is an insider by virtue of (i);
- (k) “**Investor Relations Activities**” means any activities, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
 - (A) to promote the sale of products or services of the Corporation, or
 - (B) to raise public awareness of the Corporation, that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
 - (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable Securities Laws;
 - (B) the by-laws, rules or other regulatory instruments of the Exchange or any other self-regulatory body or exchange having jurisdiction over the Corporation;
 - (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:
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) 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 Exchange;
- (l) “**Investor Relations Service Provider**” all includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (m) “**Management Company Employee**” means an individual employed by a company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;
- (n) “**Market Price**” means the “Market Price” (as such term is defined in Policy 1.1 of the TSXV) of the Common Shares, or if the Common Shares are not listed on a stock exchange, the Market Price shall be determined in good faith by the Administrators;
- (o) “**Offer**” means a bona fide arm’s length offer made to all holders of voting shares in the capital of the Corporation to purchase, directly or indirectly, voting shares in the capital of the Corporation;

- (p) “**Officer**” means (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;
- (q) “**Option**” means an option granted to an Eligible Person under the Plan to purchase Common Shares;
- (r) “**Option Agreement**” has the meaning ascribed to that term in section 3.2;
- (s) “**Option Exercise Notice**” has the meaning ascribed to that term in section 5.5;
- (t) “**Participant**” means an Eligible Person selected by the Administrators to participate in the Plan in accordance with section 3.1 hereof;
- (u) “**Payout Date**” means the day on which the Corporation pays to a Participant the Market Price of the Restricted Share Units that have become vested and payable;
- (v) “**Plan**” means this share compensation plan, as amended, replaced or restated from time to time;
- (w) “**reserved for issuance**” refers to Common Shares that may be issued in the future upon the vesting of Restricted Share Units which have been awarded and upon the exercise of Options which have been granted;
- (x) “**Restricted Share Unit**” means a right granted to a Participant in accordance with section 4.1 hereof as compensation for employment or consulting services or services as a Director or Officer to receive, for no additional cash consideration, one Common Share or a lump sum payment in cash that becomes vested in accordance with section 4.3;
- (y) “**Restricted Share Unit Agreement**” has the meaning ascribed to that term in section 3.2;
- (z) “**RSU Account**” has the meaning attributed to that term in section 4.8;
- (aa) “**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Corporation;
- (bb) “**Security Based Compensation**” means any Options and Restricted Share Units granted or issued under this Plan but, as the context requires, also includes any deferred share unit, performance share unit, restricted share unit, securities for services, stock appreciation right, stock option, stock purchase plan, any security purchase from treasury by a Participant which is financially assisted by the Corporation by any means whatsoever, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation from treasury to an Eligible Person under any other Share Compensation Arrangement, and for greater certainty, does not include:
 - (i) arrangements which do not involve the issuance from treasury or potential from treasury of securities of the Corporation;
 - (ii) arrangements under which Security Based Compensation is settled solely in cash and/or securities purchased on the secondary market; and
 - (iii) Shares for Services and shares for debt arrangements under Policy 4.3 of the TSXV that have been conditionally accepted by the Exchange prior to November 24, 2021;
- (cc) “**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to Directors, Officers and Employees of the Corporation and any of its Subsidiaries or to Consultants;
- (dd) “**Shares for Services**” has the meaning ascribed to that phrase in Policy 4.3 - *Share for Debt*;
- (ee) “**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (British Columbia) and “**Subsidiaries**” shall have a corresponding meaning;
- (ff) “**Termination Date**” means the date a Participant ceases to be an Eligible Person and, unless otherwise provided herein, does not include any period of statutory, contractual or reasonable notice

or any period of salary continuance or deemed employment. Notwithstanding the foregoing, in the case of a U.S. Participant, a Participant's "Termination Date" will be the date the Participant experiences a "separation from service" (as defined in Treas. Reg. 1.409A-1(h)) with the Corporation or any of its Subsidiaries.

- (gg) "TSXV" means the TSX Venture Exchange;
- (hh) "United States" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (ii) "U.S. Participant" means a Participant who is a citizen of the United States or a resident of the United States, as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the Code and any other Participant who is subject to tax under the Code with respect to compensatory awards granted pursuant to the Plan;
- (jj) "U.S. Person" means a "U.S. person", as such term is defined in Regulation S under the 1933 Act;
- (kk) "Withholding Obligations" has the meaning ascribed to that term in section 4.6; and
- (ll) "VWAP" means the volume weighted average trading price of the Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the relevant date. Where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

1.2 **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

1.3 **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

1.4 **References to this Plan:** The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.

1.5 **Currency:** All references in this Plan or in any agreement entered into under this Plan to "dollars", "\$" or lawful currency shall be references to Canadian dollars, unless the context otherwise requires.

2. PURPOSE AND ADMINISTRATION OF THE PLAN

2.1 **Purpose:** The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, and its shareholders by: (i) ensuring that the interests of Eligible Persons are aligned with the success of the Corporation and its Subsidiaries; (ii) encouraging stock ownership by Eligible Persons; and (iii) providing compensation opportunities to attract, retain and motivate Eligible Persons.

2.2 **Common Shares Subject to the Plan:**

- (a) *General:* This Plan is a "rolling up to 10%" omnibus plan whereby the total number of Common Shares that are issuable pursuant to all Security Based Compensation granted or awarded hereunder, in aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares as of the date of grant or award (together with any Common Shares issuable pursuant to any other Share Compensation Arrangement). For greater certainty, any Restricted Share Units and Deferred Share Units that must be settled in cash in accordance with the Restricted Share Unit Agreement and the Deferred Share Unit Agreement approved by the Administrators at the time of grant shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under this Plan as required by the policies of the Exchange.
- (b) *Limits for Individuals:* Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to any one Participant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Participant.

- (c) *Limits for Consultants:* The maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to any one Consultant (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to the Consultant.
- (d) *Limits for Investor Relations Service Providers:* The maximum aggregate number of Common Shares issuable pursuant to all Options granted to all Investor Relations Service Providers under the Plan in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares, calculated as at the date any Option is granted to such Investor Relations Services Provider; provided, that Options granted to any and all Investor Relations Service Providers 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 1/4 of the Options vest no sooner than six months after the Options were granted;
 - (iii) no more than 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.

2.3 **Other Terms of the Plan**

- (a) All Security Based Compensation granted or issued hereunder is non-assignable and non-transferable.
- (b) Unless the Corporation obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares at any point in time.
- (c) Unless the Corporation obtains disinterested shareholder approval, the maximum number of Common Shares issuable pursuant to all Security Based Compensation granted or issued under the Plan in any 12 month period to Insider Participants as a group (together with those Common Shares issuable pursuant to any other Share Compensation Arrangement) shall not exceed 10% of the issued and outstanding Common Shares, calculated as at the date that such Security Based Compensation is granted or issued to any Insider Participant.
- (d) For greater certainty, Investor Relations Service Providers may not receive any Security Based Compensation other than Options.
- (e) Any Security Based Compensation granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within 12 months following the date the Participant ceases to be an Eligible Person under the Plan.

2.4 **Administration of the Plan:** The Plan shall be administered by the Administrators, through the recommendation of the Nomination, Compensation and Corporate Governance Committee of the Board. Subject to any limitations of the Plan, the Administrators shall have the power and authority to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) determine the eligibility of persons to participate in the Plan in accordance with section 3 herein;
- (c) determine when Restricted Share Units, Options and Deferred Share Units to Eligible Persons shall be awarded or granted, the number of Restricted Share Units, Options and Deferred Share Units to be awarded or granted, the vesting criteria for each award of Restricted Share Units, the vesting period for each grant of Options and the vesting period for each award of Deferred Share Units;

- (d) interpret and construe the provisions of the Plan and any agreement or instrument under the Plan;
- (e) require that any Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable laws, including without limitation, exemptions from the registration requirements of the 1933 Act and applicable state securities laws; and
- (f) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

3. ELIGIBILITY AND PARTICIPATION IN PLAN

3.1 **The Plan and Participation:** The Plan is hereby established for Eligible Persons. Restricted Share Units may be awarded and Options may be granted to any Eligible Person as determined by the Administrators in accordance with the provisions hereof. Deferred Share Units may be awarded only to Directors who are not Employees in accordance with the provisions hereof. The Corporation and each Participant acknowledge that they are responsible for ensuring and confirming that such Participant is a bona fide Eligible Person entitled to receive Options, Restricted Share Units or Deferred Share Units, as the case may be.

3.2 **Agreements:** All Restricted Share Units awarded hereunder shall be evidenced by a restricted share unit agreement (“**Restricted Share Unit Agreement**”) between the Corporation and the Participant, substantially in the form set out in Exhibit A or in such other form as the Administrators may approve from time to time. All Options granted hereunder shall be evidenced by an option agreement (“**Option Agreement**”) between the Corporation and the Participant, substantially in the form as set out in Exhibit B or in such other form as the Administrators may approve from time to time. All Deferred Share Units awarded hereunder shall be evidenced by a deferred share unit agreement (“**Deferred Share Unit Agreement**”) between the Corporation and the Participant, substantially in the form set out in Exhibit D or in such other form as the Administrators may approve from time to time.

4. AWARD OF RESTRICTED SHARE UNITS

4.1 **Award of Restricted Share Units:** The Administrators may, at any time and from time to time, award Restricted Share Units to Eligible Persons (other than Eligible Persons providing Investor Relations Activities). In awarding any Restricted Share Units, the Administrators shall determine:

- (a) to whom Restricted Share Units pursuant to the Plan will be awarded;
- (b) the number of Restricted Share Units to be awarded and credited to each Participant’s RSU Account;
- (c) the Award Date; and
- (d) subject to section 4.3 hereof, the applicable vesting criteria.

Upon the award of Restricted Share Units, the number of Restricted Share Units awarded to a Participant shall be credited to the Participant’s RSU Account effective as of the Award Date.

4.2 **Restricted Share Unit Agreement:** Upon the award of each Restricted Share Unit to a Participant, a Restricted Share Unit Agreement shall be delivered by the Administrators to the Participant.

4.3 **Vesting:**

- (a) Subject to subsections (c) and (d) below, at the time of the award of Restricted Share Units, the Administrators shall, subject to Exchange rules, determine in their sole discretion the vesting criteria applicable to such Restricted Share Units provided that, subject to sections 4.7(c) and 7.2, no Restricted Share Units may vest before the date that is one year following the date of grant or issue.
- (b) For greater certainty, the vesting of Restricted Share Units may be determined by the Administrators to include criteria such as performance vesting, in which the number of Common Shares (or cash equivalent) to be delivered to a Participant for each Restricted Share Unit that vests may fluctuate based upon the Corporation’s performance and/or the Market Price of the Common Shares, in such manner as determined by the Administrators in their sole discretion.
- (c) Each Restricted Share Unit shall be subject to vesting in accordance with the terms set out in the Restricted Share Unit Agreement.

- (d) Notwithstanding anything to the contrary in this Plan, all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit shall be completed no later than December 15 of the third calendar year commencing after the Award Date for such Restricted Share Unit.
- 4.4 **Blackout Periods:** Should the date of vesting of a Restricted Share Unit fall within a Blackout Period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the date of vesting for such Restricted Share Unit for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 4.4 may not be extended by the Board.
- 4.5 **Vesting and Settlement:** As soon as practicable after the relevant date of vesting of any Restricted Share Units awarded under the Plan and with respect to a U.S. Participant, no later than 60 days thereafter, but subject to subsection 4.3(d), a Participant shall be entitled to receive and the Corporation shall issue or pay (at its discretion):
- (a) a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant's RSU Account multiplied by the Market Price of a Common Share on the Payout Date;
 - (b) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant's Restricted Share Units in the Participant's RSU Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or
 - (c) any combination of the foregoing.
- 4.6 **Taxes and Source Deductions:** the Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit in connection with this Plan, any Restricted Share Units or any issuance of Common Shares ("**Withholding Obligations**"). Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit pursuant to the Withholding Obligations from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the vesting of any Restricted Share Units or the issue of any Common Shares; (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or (iii) settle a portion of vested Restricted Share Units of a Participant in cash equal to the amount the Corporation is required to remit, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on vesting of any Restricted Share Units may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.
- 4.7 **Rights Upon an Event of Termination:**
- (a) Subject to section 2.3(e), if an Event of Termination has occurred in respect of any Participant, any and all Common Shares corresponding to any vested Restricted Share Units in the Participant's RSU Account shall be issued as soon as practicable after the Event of Termination to the former Participant in accordance with section 4.5 hereof. With respect to each Restricted Share Unit of a U.S. Participant, such Restricted Share Unit will be settled and shares issued as soon as practicable following the date of vesting of such Restricted Share Unit as set forth in the applicable Restricted Share Unit Agreement, but in all cases within 60 days following such date of vesting.
 - (b) If an Event of Termination has occurred in respect of any Participant, any unvested Restricted Share Units in the Participant's RSU Account shall, unless otherwise determined by the Administrators in

their discretion or otherwise agreed to by the Corporation in an employment agreement or consulting agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (i) the vesting schedule set out in the applicable Restricted Share Unit Award Agreement and (ii) 12 months after the date of the Event of Termination. Subject to section 2.3(e), with respect to any Restricted Share Unit of a U.S. Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to a Restricted Share Unit that is unvested at the time of an Event of Termination, such Restricted Share Unit shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares delivered following the date of vesting of such Restricted Share Unit as set forth in the applicable Restricted Share Unit Agreement.

- (c) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Restricted Share Units in accordance with this section 4.7, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.
- (d) Subject to section 2.3(e) and the requirements set out in section 4.6 of TSXV Policy 4.4, notwithstanding the foregoing subsection 4.7(b), if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested performance-based Restricted Share Units in the Participant's RSU Account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable Restricted Share Unit Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.
- (e) Notwithstanding the foregoing subsection 4.7(b), for greater certainty, if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested Restricted Share Unit in the Participant's RSU Account shall forthwith and automatically be forfeited by the Participant and cancelled.
- (f) For the purposes of this Plan and all matters relating to the Restricted Share Units, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

4.8 **Restricted Share Unit Accounts:** A separate notional account for Restricted Share Units shall be maintained for each Participant (an "**RSU Account**"). Each RSU Account will be credited with Restricted Share Units awarded to the Participant from time to time pursuant to section 4.1 hereof by way of a bookkeeping entry in the books of the Corporation. On the vesting of the Restricted Share Units pursuant to section 4.3 hereof and the corresponding issuance of Common Shares to the Participant pursuant to section 4.5 hereof, or on the forfeiture and cancellation of the Restricted Share Units pursuant to section 4.7 hereof, the applicable Restricted Share Units credited to the Participant's RSU Account will be cancelled.

4.9 **Record Keeping:** the Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Restricted Share Units credited to each Participant's RSU Account;
- (c) any and all adjustments made to Restricted Share Units recorded in each Participant's RSU Account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

5. GRANT OF OPTIONS

5.1 **Grant of Options:** The Administrators may at any time and from time to time grant Options to Eligible Persons. In granting any Options, the Administrators shall determine:

- (a) to whom Options pursuant to the Plan will be granted;
- (b) the number of Options to be granted, the Grant Date and the Exercise Price of each Option;
- (c) subject to section 5.4 hereof, the expiration date of each Option; and

(d) subject to section 5.3 hereof, the applicable vesting criteria,

provided, however that the Exercise Price for a Common Share pursuant to any Option shall not be less than the Discounted Market Price on the Grant Date in respect of that Option, and with respect to Options granted to U.S. Participants, the Exercise Price shall not be less than the closing price of the Common Shares on any exchange in Canada where Common Shares are listed on the last trading day prior to the Grant Date. If the Corporation does not issue a news release to announce the grant and the exercise price of an Option, the Discounted Market Price is the last closing price of the Common Shares before the date of grant of the Option less the applicable discount.

5.2 **Option Agreement:** Upon each grant of Options to a Participant, an Option Agreement shall be delivered by the Administrators to the Participant.

5.3 **Vesting:**

(a) Subject to subsection 2.2(d) above with respect to grants to Eligible Persons providing Investor Relations Activities, at the time of the grant of any Options, the Administrators shall determine, in accordance with applicable vesting requirements of the Exchange, the vesting criteria applicable to such Options.

(b) The Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule. The Option Agreement will disclose any vesting conditions prescribed by the Administrators.

5.4 **Term of Option/Blackout Periods:** The term of each Option shall be determined by the Administrators; provided that no Option shall be exercisable after ten years from the Grant Date. Should the term of an Option expire on a date that falls within a Blackout Period formally imposed by the Corporation, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 5.4 may not be extended by the Board.

5.5 **Exercise of Option:**

Options that have vested in accordance with the provisions of this Plan and the applicable Option Agreement may be exercised at any time, or from time to time, during their term and subject to the provisions of sections 5.6, 5.7, 5.8 and 5.10 hereof as to any number of whole Common Shares that are then available for purchase thereunder; provided that no partial exercise may be for less than 100 whole Common Shares. Options may be exercised by delivery of a written notice of exercise to the Administrators, substantially in the form attached to this Plan as Exhibit C (the "**Option Exercise Notice**"), with respect to the Options, or by any other form or method of exercise acceptable to the Administrators.

5.6 **Regular Exercise; Payment and Issuance:**

(a) Upon actual receipt by the Corporation or its agent of the materials required by subsection 5.5 and receipt by the Corporation of cash, a cheque, bank draft or other form of acceptable payment for the aggregate Exercise Price, the number of Common Shares in respect of which the Options are exercised will be issued as fully paid and non-assessable shares and the Participant exercising the Options shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares which are subject to Options until that person or entity becomes the holder of record of those Common Shares. No Common Shares will be issued by the Corporation prior to the receipt of payment by the Corporation for the aggregate Exercise Price for the Options being exercised.

(b) Without limiting the foregoing, and unless otherwise determined by the Administrators or not compliant with any applicable laws, (i) cashless exercise of Options shall only be available to a Participant who was granted and is exercising such Options outside the United States as a non-U.S. Person in compliance with Regulation S under the 1933 Act at a time when the Common Shares are listed and posted for trading on an Exchange or market in Canada that permits cashless exercise, the

Participant intends to immediately sell the Common Shares issuable upon exercise of such Options in Canada and the proceeds of sale will be sufficient to satisfy the Exercise Price of the Options, and (ii) if an eligible Participant elects to exercise the Options through cashless exercise and complies with any relevant protocols approved by the Administrators, a sufficient number of the Common Shares issued upon exercise of the Options will be sold in Canada by a designated broker on behalf of the Participant to satisfy the Exercise Price of the Options, the Exercise Price of the Options will be delivered to the Corporation and the Participant will receive only the remaining unsold Common Shares from the exercise of the Options and the net proceeds of the sale after deducting the Exercise Price of the Options, applicable taxes and any applicable fees and commissions, all as determined by the Administrators from time to time. The Corporation shall not deliver the Common Shares issuable upon a cashless exercise of Options until receipt of the Exercise Price therefor, whether by a designated broker selling the Common Shares issuable upon exercise of such Options through a short position or such other method determined by the Administrators in compliance with applicable laws.

5.7 **Cashless Exercise:** Subject to prior approval by the Administrators, and provided that the Common Shares are listed and posted for trading on an Exchange or market that permits cashless exercise, a Participant may elect cashless exercise in its Option Exercise Notice. In such case, the Participant will not be required to deliver to the Administrators a cheque or other form of payment for the aggregate Exercise Price referred to above. Instead, the following provisions will apply:

- (a) Whereby the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Common Shares underlying the Options. The brokerage firm then sells a sufficient number of Common Shares to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Common Shares from the exercise of the Options and the Participant then receives the balance of Common Shares or the cash proceeds from the balance of such Common Shares.
- (b) Before the relevant trade date, the Participant will deliver the Option Exercise Notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Participant's Common Shares in the name of the broker (or as the broker may otherwise direct) for the number of Common Shares issued on the exercise of the Options, against payment by the broker to the Corporation of (i) the Exercise Price for such Common Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Common Shares.
- (c) The broker will deliver to the Participant the remaining value of the Options, net of any brokerage commission or other expenses (the "**In-the-Money Amount**"), in either (i) cash in an amount equal to the In-the-Money-Amount, or (b) such number of Common Shares (rounded down to the nearest whole number) having a fair Market Price equal to the In-the-Money Amount, plus a cash amount equal to the fraction of a Common Share that would otherwise be issuable multiplied by the fair Market Price of a Common Share.

5.8 **Net Exercise:** Subject to prior approval by the Administrators, a Participant, excluding Investor Relations Service Providers, may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Common Shares (rounded down to the nearest whole Common Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

X = The number of Common Shares to be issued to the Participant in consideration for the net exercise of the Options under this section 5.8;

Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;

A = The VWAP of the Common Shares; and

B = The Exercise Price for such Options.

The Corporation may elect to forego any deduction in accordance with subsection 110(1.1) of the *Income Tax Act* (Canada) with respect to Options settled on a net exercise basis.

In the event of a cashless exercise or net exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Corporation, must be included in calculating the limits set forth in sections 2.2(a), 2.2(b), 2.2(c), 2.2(d), 2.3(b) and 2.3(c).

5.9 **Taxes and Source Deductions:** The Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit pursuant to the Withholding Obligations in connection with this Plan, any Options or any issuance of Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit, pursuant to the Withholding Obligations, from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the exercise of any Options or the issue of any Common Shares; or (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on the exercise of Options may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.

5.10 **Rights Upon an Event of Termination:**

- (a) If an Event of Termination has occurred in respect of a Participant, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall, unless otherwise determined by the Administrators in their discretion, vest before the earlier of (i) the vesting schedule set out in the applicable Option Agreement and (ii) 12 months after the date of the Event of Termination. There can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.
- (b) Except as otherwise stated herein or otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an employment agreement or consulting agreement with an Eligible Person (provided such determination does not exceed a maximum of one year), upon the occurrence of an Event of Termination in respect of a Participant, any vested Options granted to the Participant that are available for exercise may be exercised only before the earlier of:
 - (i) the expiry of the Option; and
 - (ii) six months after the date of the Event of Termination.
- (c) Notwithstanding the foregoing subsections 5.10(a) and (b), if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each Option held by the Participant, whether or not then exercisable, shall forthwith and automatically be cancelled and may not be exercised by the Participant.

- (d) For the purposes of this Plan and all matters relating to the Options, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).
- (e) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Options in accordance with this section 5.10, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.

5.11 **Record Keeping:** The Corporation shall maintain an Option register in which shall be recorded:

- (a) the name and address of each holder of Options;
- (b) the number of Common Shares subject to Options granted to each holder of Options;
- (c) the term of the Option and Exercise Price, including adjustments for each Option granted; and
- (d) any other information which the Corporation considers appropriate to record in such register.

6. AWARD OF DEFERRED SHARE UNITS

6.1 Award of Deferred Share Units:

- (a) The Administrators may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person may be given, subject to the conditions stated herein, the right to elect in accordance with section 6.1(b) to participate in the grant of additional DSUs pursuant to this Article 6. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 6 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The "**Elected Amount**" shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the "**Cash Fees**").
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form of Exhibit E hereto (the "**Election Notice**") with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year in which the services giving rise to the compensation are performed (other than for Director Fees payable for the 2022 financial year to any Electing Person who is not a U.S. Participant as of the date of this Plan, in which case such Electing Person shall file the Election Notice by the date that is 30 days from the effective date of the Plan with respect to compensation paid for services to be performed after such date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Participant, within 30 days of such appointment with respect to compensation paid for services to be performed after such date. In the case of an existing Electing Person who is a U.S. Participant as of the Effective Date of this Plan and who was not eligible to participate in the Predecessor Plan or in any other deferred compensation plan required to be aggregated with this Plan for purposes of Section 409A of the Code, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election Date; and in the case of a newly appointed Electing Person who is a U.S. Participant, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.
- (c) Subject to subsection 6.1(d), the election of an Electing Person under subsection 6.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is not a U.S. Participant is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Exhibit F hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a Blackout

Period. Thereafter, any portion of such Electing Person's Cash Fees payable or paid in the same calendar year and, subject to complying with subsection 6.1(b), all subsequent calendar years shall be paid in cash. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 6, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Participant to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Exhibit G is delivered.

- (e) Any DSUs granted pursuant to this Article 6 prior to the delivery of a termination notice pursuant to Section 6.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Administrator, by (ii) the Market Price of a Common Share on the Award Date.
- (g) In addition to the foregoing, the Administrators may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Administrators may prescribe, award DSUs to any Participant.

6.2 **Deferred Share Unit Agreement:** Upon the award of each Deferred Share Unit to a Participant, a Deferred Share Unit Agreement shall be delivered by the Administrators to the Participant.

6.3 **Vesting:** Subject to sections 6.7 and 7.2, Deferred Share Units shall vest on the date that is 12 months following the date of grant or issue.

6.4 **Blackout Periods:** Should the date of vesting of a Deferred Share Unit fall within a Blackout Period formally imposed by the Corporation, such date of vesting shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the date of vesting for such Deferred Share Unit for all purposes under the Plan. Notwithstanding section 7.4 hereof, the ten Business Day period referred to in this section 6.4 may not be extended by the Board.

6.5 **Settlement:**

- (a) DSUs shall be settled on the date established in the Deferred Share Unit Agreement; provided, however that in no event shall a DSU be settled prior to a Participant's Termination Date, or, in the case of a Canadian Participant, later than one (1) year following the date of the applicable Canadian Participant's Termination Date. In the case of a Participant (other than a Canadian Participant), in no event shall a DSU be settled later than three (3) years following the date of the applicable Participant's Termination Date. If the Deferred Share Unit Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the Participant's Termination Date, subject to the delay that may be required pursuant to the Code in the case of a U.S. Participant. Subject to the Code in the case of a U.S. Participant, and except as otherwise provided in a Deferred Share Unit Agreement, on the settlement date for any DSU, each vested DSU will be redeemed for:
 - (i) one fully paid and non-assessable Common Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Common Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Administrators in their discretion.

- (b) Any cash payments made under this section 6.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
 - (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- 6.6 **Taxes and Source Deductions:** the Corporation or an affiliate of the Corporation may take such reasonable steps for the deduction and withholding of any taxes and other required source deductions which the Corporation or the affiliate, as the case may be, is required by any law or regulation of any governmental authority whatsoever to remit pursuant to the Withholding Obligations in connection with this Plan, any Deferred Share Units or any issuance of Common Shares. Without limiting the generality of the foregoing, the Corporation may, at its discretion: (i) deduct and withhold those amounts it is required to remit pursuant to the Withholding Obligations from any cash remuneration or other amount payable to the Participant, whether or not related to the Plan, the vesting or settlement of any Deferred Share Units or the issue of any Common Shares; (ii) allow the Participant to make a cash payment to the Corporation equal to the amount required to be remitted, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant; or (iii) settle a portion of vested Deferred Share Units of a Participant in cash equal to the amount the Corporation is required to remit, pursuant to the Withholding Obligations, which amount shall be remitted by the Corporation to the appropriate governmental authority for the account of the Participant. Where the Corporation considers that the steps undertaken in connection with the foregoing result in inadequate withholding or a late remittance of taxes, the delivery of any Common Shares to be issued to a Participant on settlement of any Deferred Share Units may be made conditional upon the Participant (or other person) reimbursing or compensating the Corporation or making arrangements satisfactory to the Corporation for the payment to it in a timely manner of all taxes required to be remitted, pursuant to the Withholding Obligations, for the account of the Participant.
- 6.7 **Rights Upon an Event of Termination:**
- (a) Subject to section 2.3(e), if an Event of Termination has occurred in respect of any Participant, any and all Common Shares corresponding to any vested Deferred Share Units in the Participant's DSU Account shall be issued as soon as practicable after the Event of Termination to the former Participant in accordance with section 6.5 hereof.
 - (b) If an Event of Termination has occurred in respect of any Participant, any unvested Deferred Share Units in the Participant's DSU Account shall, unless otherwise determined by the Administrators in their discretion or otherwise agreed to by the Corporation in an agreement with an Eligible Person, and subject to the requirements set out in section 4.6 of TSXV Policy 4.4, vest and be settled before the earlier of (i) the vesting schedule set out in the applicable Deferred Share Unit Agreement and (ii) 12 months after the date of the Event of Termination.
 - (c) If an Event of Termination involving the death of a Participant occurs and such Participant is entitled to any Deferred Share Units in accordance with this section 6.7, the heirs or administrators of such Participant must claim such Security Based Compensation within one year of the Participant's death.
 - (d) Subject to section 2.3(e) and the requirements set out in section 4.6 of TSXV Policy 4.4, notwithstanding the foregoing subsection (b), if a Participant retires in accordance with the Corporation's retirement policy, at such time, any unvested performance-based Deferred Share Units in the Participant's DSU Account shall not be forfeited by the Participant or cancelled and instead shall be eligible to become vested in accordance with the vesting conditions set forth in the applicable Deferred Share Unit Agreement after such retirement (as if retirement had not occurred), but only if the performance vesting criteria, if any, are met on the applicable date.
 - (e) Notwithstanding the foregoing subsection 6.7(b), for greater certainty, if a Participant's employment is terminated for just cause or if a Participant resigns without good reason, each unvested Deferred Share Unit in the Participant's DSU Account shall forthwith and automatically be forfeited by the Participant and cancelled.

(f) For the purposes of this Plan and all matters relating to the Deferred Share Units, the date of the Event of Termination shall be determined without regard to any applicable severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

6.8 **Deferred Share Unit Account:** A separate notional account for Deferred Share Units shall be maintained for each Participant (which, for greater certainty includes Electing Persons) (a “**DSU Account**”). Each DSU Account will be credited with Deferred Share Units awarded to the Participant from time to time pursuant to section 6.1 hereof by way of a bookkeeping entry in the books of the Corporation.

6.9 **Record Keeping:** the Corporation shall maintain records in which shall be recorded:

- (a) the name and address of each Participant;
- (b) the number of Deferred Share Units credited to each Participant’s DSU Account;
- (c) any and all adjustments made to Deferred Share Units recorded in each Participant’s DSU Account; and
- (d) any other information which the Corporation considers appropriate to record in such records.

7. GENERAL

7.1 **Effective Date of Plan:** The Plan shall be effective as of the Effective Date.

7.2 **Change of Control:**

- (a) If there is a Change of Control transaction then, notwithstanding any other provision of this Plan except subsection 4.3(d) which will continue to apply in all circumstances, any or all unvested Restricted Share Units, any or all Options (whether or not currently exercisable) and any or all unvested Deferred Share Units shall automatically vest or become exercisable, as applicable, such that Participants under the Plan shall be able to participate in the Change of Control transaction, including, at the election of the holder thereof, by surrendering such Restricted Share Units, Options and Deferred Share Units to the Corporation or a third party or exchanging such Restricted Share Units, Options or Deferred Share Units, for consideration in the form of cash and/or securities, to be determined by the Administrators in their sole discretion, subject to any necessary Exchange approvals. For greater certainty, the occurrence of a Change of Control will not trigger the right of a Participant to receive a payment in respect of a Deferred Share Unit prior to a Termination Date for such Participant. For clarity, Restricted Share Units, Options or Deferred Share Units of a Participant will only be accelerated as contemplated in this subsection 7.2(a) if such Participant ceases to be an Eligible Person in connection with the Change of Control. Notwithstanding the foregoing, with respect to Options of U.S. Participants, any exchange, substitution or amendment of such Options will occur only to the extent and in a manner that will not result in the imposition of taxes under Section 409A of the Code, and with respect to Restricted Share Units or Deferred Share Units, as applicable, of U.S. Participants, any surrender or other modification of Restricted Share Units or Deferred Share Units, as applicable, will occur only to the extent such surrender or other modification will not result in the imposition of taxes under Section 409A of the Code. Notwithstanding the foregoing, there can be no acceleration of the vesting requirements applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.

7.3 **Reorganization Adjustments:**

- (a) In the event of any declaration by the Corporation of any stock dividend payable in securities (other than a dividend which may be paid in cash or in securities at the option of the holder of Common Shares), or any subdivision or consolidation of Common Shares, reclassification or conversion of Common Shares, or any combination or exchange of securities, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin off involving the Corporation, distribution (other than normal course cash dividends) of company assets to holders of Common Shares, or any other corporate transaction or event involving the Corporation or the

Common Shares, the Administrators, in the Administrators' sole discretion, may, subject to any relevant resolutions of the Board and any necessary Exchange approvals, and without liability to any person, make such changes or adjustments, if any, as the Administrators consider fair or equitable, in such manner as the Administrators may determine, to reflect such change or event including, without limitation, adjusting the number of Options, Restricted Share Units and Deferred Share Units outstanding under this Plan, the type and number of securities or other property to be received upon exercise or redemption thereof, and the Exercise Price of Options outstanding under this Plan, provided that the value of any Option, Restricted Share Unit and Deferred Share Units immediately after such an adjustment, as determined by the Administrators, shall not exceed the value of such Option, Restricted Share Unit and Deferred Share Units prior thereto, as determined by the Administrators.

- (b) Notwithstanding the foregoing, with respect to Options, Restricted Share Units and Deferred Share Units of U.S. Participants, such changes or adjustments will be made in a manner so as to not result in the imposition of taxes under Section 409A of the Code and will comply with the requirements in subsection 4.3(d).
- (c) The Corporation shall give notice to each Participant in the manner determined, specified or approved by the Administrators of any change or adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes.
- (d) The Administrators may from time to time, subject to any necessary Exchange approvals, adopt rules, regulations, policies, guidelines or conditions with respect to the exercise of the power or authority to make changes or adjustments pursuant to section 7.2 or section 7.3(a). The Administrators, in making any determination with respect to changes or adjustments pursuant to section 7.2 or section 7.3(a) shall be entitled to impose such conditions as the Administrators consider or determine necessary in the circumstances, including conditions with respect to satisfaction or payment of all applicable taxes (including, but not limited to, withholding taxes).

7.4 **Amendment or Termination of Plan:**

The Board may amend this Plan or any Restricted Share Unit or any Option or any Deferred Share Unit at any time without the consent of Participants provided that such amendment shall:

- (a) not adversely alter or impair any Restricted Share Unit previously awarded or any Option previously granted or any Deferred Share Unit previously awarded except as permitted by the provisions of section 7.3 hereof, and, with respect to Restricted Share Units, Options and Deferred Share Units of U.S. Participants, such amendment will not result in the imposition of taxes under Section 409A of the Code;
- (b) be subject to any regulatory approvals including, where required, the approval of the Exchange; and
- (c) be subject to shareholder approval, where required by the requirements of the Exchange, provided that shareholder approval shall not be required for the following amendments:
 - (i) amendments of a "housekeeping nature", including any amendment to the Plan or a Restricted Share Unit or Option or Deferred Share Unit that is necessary to comply with applicable laws, tax or accounting provisions or the requirements of any regulatory authority or stock exchange and any amendment to the Plan or a Restricted Share Unit or Option or deferred share unit to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein; and
 - (ii) amendments that are necessary or desirable for Restricted Share Units or Options or Deferred Share Units to qualify for favourable treatment under any applicable tax law; and
- (d) be subject to disinterested shareholder approval in the event of any reduction in the Exercise Price, or the extension of the term, of any Option granted under the Plan to an Insider Participant.

For greater certainty and subject to approval by the TSX Venture Exchange (if applicable), shareholder approval shall be required in circumstances where an amendment to the Plan would:

- (a) change from a fixed maximum percentage of issued and outstanding Common Shares to a fixed maximum number of Common Shares;
 - (b) increase the limits in section 2.2;
 - (c) reduce the Exercise Price of any Option (including any cancellation of an Option for the purpose of reissuance of a new Option at a lower Exercise Price to the same person);
 - (d) extend the term of any Option beyond the original term (except if such period is being extended by virtue of section 5.4 hereof); or
 - (e) amend this section 7.4.
- 7.5 **Termination:** The Administrators may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Restricted Share Units shall be awarded and no further Options shall be granted and no further Deferred Share Units shall be awarded, but the Restricted Shares Units then outstanding and credited to Participants' RSU Accounts and the Options then outstanding and the Deferred Share Units then outstanding and credited to Participants' DSU Accounts shall continue in full force and effect in accordance with the provisions of this Plan. Any termination of this Plan shall occur in a manner that will not result in the imposition of taxes on a U.S. Participant under Section 409A of the Code.
- 7.6 **Transferability:** A Participant shall not be entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the Participant's Restricted Share Units or Options or Deferred Share Units or any rights the Participant has under the Plan.
- 7.7 **Rights as a Shareholder:** Under no circumstances shall the Restricted Share Units or Options or Deferred Share Units be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares (including, but not limited to, the right to dividend equivalent payments).
- 7.8 **Credits for Dividends:**
- (a) Subject to section 7.8(b), whenever cash or other dividends are paid on Common Shares, additional Restricted Share Units or Deferred Share Units, as applicable, will be automatically granted to each Participant who holds Restricted Share Units or Deferred Share Units, as applicable, on the record date for such dividends. The number of such Restricted Share Units or Deferred Share Units (rounded to the nearest whole Restricted Share Unit or Deferred Share Unit, as applicable) to be credited to such Participant as of the date on which the dividend is paid on the Common Shares shall be an amount equal to the quotient obtained when (i) the aggregate value of the cash or other dividends that would have been paid to such Participant if the Participant's Restricted Share Units or Deferred Share Units, as applicable, as of the record date for the dividend had been Common Shares, is divided by (ii) the Market Price of the Common Shares as of the date on which the dividend is paid on the Common Shares. Restricted Share Units and Deferred Share Units granted to a Participant pursuant to this section 7.8 shall be subject to the same vesting conditions (time and performance (as applicable)) as the Restricted Share Units and the Deferred Share Units, as applicable, to which they relate.
 - (b) In the event that the number of Restricted Share Units or the Deferred Share Units, as applicable, to be granted in accordance with section 7.8(a) would result in the number of Common Shares issuable pursuant to all Security Based Compensation granted or awarded hereunder to exceed the limits set out in sections 2.2(a), 2.2(b), 2.2(c), 2.2(d), 2.3(b) and 2.3(c), such Restricted Share Units or Deferred Share Units, as applicable, shall not be granted and the Administrators may determine, in their sole discretion, to make a cash payment to the Participant in lieu thereof equal to the aggregate value determined pursuant to section 7.8(a).
- 7.9 **No Effect on Employment, Rights or Benefits:**
- (a) The terms of employment shall not be affected by participation in the Plan.
 - (b) Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue as a director, officer, employee or Consultant nor interfere or be deemed to interfere in any

way with any right of the Corporation, the Board or the shareholders of the Corporation to remove any Participant from the Board or of the Corporation or any Subsidiary to terminate any Participant's employment or agreement with a Consultant at any time for any reason whatsoever.

- (c) Under no circumstances shall any person who is or has at any time been a Participant be able to claim from the Corporation or any Subsidiary any sum or other benefit to compensate for the loss of any rights or benefits under or in connection with this Plan or by reason of participation in this Plan.

7.10 **Market Value of Common Shares:** The Corporation makes no representation or warranty as to the future market value of any Common Shares. No Participant shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted to or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the market value of the shares of the Corporation or a corporation related thereto.

7.11 **Compliance with Applicable Law:**

- (a) If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith. Notwithstanding the foregoing, the Corporation shall have no obligation to register any securities provided for in this Plan under the 1933 Act.
- (b) The award of Restricted Share Units, the grant of Options, the award of Deferred Share Units and the issuance of Common Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the Exchange. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the award of a Restricted Share Unit, the grant of an Option, the award of a Deferred Share Unit or the issue of a Common Share upon the vesting of a Restricted Share Unit or exercise of an Option or settlement of a Deferred Share Unit, as applicable, that Restricted Share Unit may not vest in whole or in part, that Option may not be exercised in whole or in part and that the Deferred Share Unit may not vest in whole or in part, as applicable, unless that action shall have been completed in a manner satisfactory to the Administrators. In addition, unless the Restricted Share Units, the Options, the Deferred Share Units and the Common Shares issuable pursuant to the Restricted Share Units, Options and Deferred Share Units, as applicable, have been registered under the 1933 Act and any applicable U.S. state securities laws, all rights of a Participant under this Plan shall be subject to and conditioned upon the availability of exemptions or exclusions from the registration requirements of the 1933 Act and any applicable U.S. state securities, as determined by the Corporation in its sole discretion. Any Restricted Share Units or Options or Deferred Share Units granted or issued to a person in the United States or a U.S. Person, as well as the issue of Common Shares pursuant thereto, will result in any certificate representing such securities bearing a United States restrictive legend restricting transfer of such securities under United States federal and state securities laws.
- (c) If the Common Shares are listed on the TSX Venture Exchange and the award of Restricted Share Units, grant of Options or award of Deferred Share Units and the issuance of Common Shares under this Plan is made to a director, officer, promoter or other insider of the Corporation, and unless the respective award, grant or issuance or is qualified by prospectus, or issued under a securities take-over bid, rights offering, amalgamation, or other statutory procedure, then the Restricted Share Unit Agreement, Option Agreement or the Deferred Share Unit Agreement will bear an Exchange Hold Period, and the following legend will be inserted onto the first page of the Restricted Share Unit Agreement or Option Agreement:

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED,

HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____, 20____ [i.e., four months and one day after the date of grant].

- 7.12 **Governing Law:** This Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- 7.13 **Subject to Approval:** The Plan is adopted subject to the approval of the Exchange and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.
- 7.14 **Special Terms and Conditions Applicable to U.S. Participants:** Options issued to U.S. Participants are intended to be exempt from Section 409A of the Code pursuant to Treas. Reg. Section 1.409A-1(b)(5)(i)(A) and the Plan and such Options will be construed and administered accordingly. Options may be issued to U.S. Participants under the Plan only if the shares with respect to the Options qualify as “service recipient stock” as defined in Treas. Reg. Section 1.409A-1(b)(5)(E)(iii). Restricted Share Units and Deferred Share Units awarded to U.S. Participants are intended to be compliant with Section 409A of the Code and such Restricted Share Units and Deferred Share Units will be construed and administered accordingly. Any waiver or acceleration of vesting under the Plan or any Restricted Share Unit Agreement for a U.S. Participant may occur only to the extent that such acceleration or waiver will not result in the imposition of taxes under Section 409A of the Code. Any payments made under this Plan or any Restricted Share Unit Agreement or any Deferred Share Unit Agreement to a U.S. Participant as a result of a termination of employment that are deemed to be subject to Section 409A of the Code shall occur only if such termination constitutes a “separation from service” as defined in Treas. Reg. 1.409A-1(h). Additionally, any payments resulting from a separation from service made to a U.S. Participant who is a “specified employee” as defined in Treas. Reg. 1.409A-1(i) shall be subject to the six month delay in payments required by Treas. Reg. 1.409A-1(3)(v) if such payments are deemed to be subject to Section 409A of the Code. Although the Corporation intends Options, Restricted Share Units and Deferred Share Units granted to U.S. Participants to be exempt from or compliant with Section 409A of the Code, the Corporation makes no representation or guaranty as to the tax treatment of such Options, Restricted Share Units and Deferred Share Units. Each U.S. Participant (and any beneficiary or the estate of the Participant, as applicable) 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 this Plan. Neither the Corporation nor any affiliate, nor any employee or director of the Corporation or an affiliate, shall have any obligation to indemnify or otherwise hold such U.S. Participant, beneficiary or estate harmless from any or all such taxes or penalties.

APPROVED by the shareholders of Corporation on the 25th day of May 2023.

EXHIBIT A

THE RESTRICTED SHARE UNITS AND THE UNDERLYING COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: **WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____, 20____ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].**

RESTRICTED SHARE UNIT AGREEMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the “**Restricted Share Grant Date**”) FPX Nickel Corp. (the “**Corporation**”) has granted to _____ (the “**Participant**”), _____ Restricted Share Units pursuant to the Corporation’s 2023 Share Compensation Plan (the “**Plan**”), a copy of which has been provided to the Participant.

Restricted Share Units are subject to the following terms:

- (a) Pursuant to the Plan and as compensation to the Participant, the Corporation hereby grants to the Participant, as of the Restricted Share Grant Date, the number of Restricted Share Units set forth above.
- (b) The granting and vesting of the Restricted Share Units and the payment by the Corporation of any payout in respect of any Vested Restricted Share Units (as defined below) are subject to the terms and conditions of the Plan, all of which are incorporated into and form an integral part of this Restricted Share Unit Agreement.
- (c) The Restricted Share Units shall become vested restricted share units (the “**Vested Restricted Share Units**”) in accordance with the following schedule:
 - (i) **[Note: Insert vesting conditions]** (each a “**Vesting Date**”).
- (d) As soon as reasonably practicable and no later than 60 days following the Vesting Date, or, if the Participant is not a U.S. Participant (as defined in the Plan), such later date mutually agreed to by the Corporation and the Participant, the Participant shall be entitled to receive, and the Corporation shall issue or provide, a payout with respect to those Vested Restricted Share Units in the Participant’s Account to which the Vesting Date relates (each a “**Payout Date**”):
 - (i) a lump sum payment in cash equal to the number of vested Restricted Share Units recorded in the Participant’s Account multiplied by the Market Price of a Common Share on the Payout Date;
 - (ii) the number of Common Shares required to be issued to a Participant upon the vesting of such Participant’s Restricted Share Units in the Participant’s Account, duly issued as fully paid and non-assessable shares and such Participant shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares; or
 - (iii) any combination of the foregoing.

subject to any applicable Withholding Obligations.

- (e) The Participant acknowledges that:
 - (i) he or she has received and reviewed a copy of the Plan; and
 - (ii) the Restricted Share Units have been granted to the Participant under the Plan and are subject to all of the terms and conditions of the Plan to the same effect as if all of such terms and conditions were set forth in this Restricted Share Unit Agreement, including with respect to termination and forfeiture as set out in Section 4.7 of the Plan.

Notwithstanding anything to the contrary in this Restricted Share Unit Agreement all vesting and issuances or payments, as applicable, in respect of a Restricted Share Unit evidenced hereby shall be completed no later than December 15 of the third calendar year commencing after the Restricted Share Grant Date;

The grant of the Restricted Share Units evidenced hereby is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Restricted Share Units and the vesting of the Restricted Share Units. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants to the Corporation that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Restricted Share Units, and (ii) either (A) the Participant is not in the United States or a U.S. Person, nor is the Participant acquiring the Restricted Share Units for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Corporation may condition awards and elections under the Plan upon receiving from the undersigned such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable U.S. state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Restricted Share Unit Agreement and the Plan, the terms of the Plan shall prevail unless otherwise determined in the Plan.

FPX NICKEL CORP.

Authorized Signatory

Signature of Participant

Name of Participant

EXHIBIT B

THE OPTIONS AND THE OPTIONED SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: **WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____, 20____ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].**

OPTION AGREEMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the “**Effective Date**”) FPX Nickel Corp. (the “**Corporation**”) has granted to _____ (the “**Participant**”), Options to acquire _____ Common Shares (the “**Optioned Shares**”) up to 4:30 p.m. Pacific Time on the _____ day of _____, _____ (the “**Option Expiry Date**”) at an Exercise Price of Cdn\$_____ per Optioned Share pursuant to the Corporation’s 2023 Share Compensation Plan (the “**Plan**”), a copy of which is attached hereto.

Optioned Shares may be acquired as follows:

- (a) **[insert vesting provisions, if applicable]; and**
- (b) **[insert hold period when required].**

The grant of the Options evidenced hereby and the Option Expiry Date thereof, is made subject to the terms and conditions of the Plan. The Participant agrees that he/she may suffer tax consequences as a result of the grant of these Options, the exercise of the Options and the disposition of Optioned Shares. The Participant acknowledges that he/she is not relying on the Corporation for any tax advice and has had an adequate opportunity to obtain advice of independent tax counsel.

The Participant represents and warrants that (i) under the terms and conditions of the Plan the Participant is a bona fide Eligible Person (as defined in the Plan) entitled to receive Options, and (ii) either (A) the Participant is not in the United States or a U.S. Person, nor is the Participant acquiring the Options or any Optioned Shares for the benefit of a person in the United States or a U.S. Person, or (B) an exemption from the registration requirements of the 1933 Act and all applicable state securities laws is available and the Participant has provided evidence satisfactory to the Corporation to such effect. The Participant understands that the Options may not be exercised in the United States or by or on behalf of a U.S. Person unless the Options and the Option Shares have been registered under the 1933 Act or are exempt from registration thereunder. The Corporation may condition the exercise of the Options upon receiving from the Participant such representations and warranties and such evidence of registration or exemption under the 1933 Act and all applicable state securities laws as is satisfactory to the Corporation, acting in its sole discretion.

In the event of any inconsistency between the terms of this Option Agreement and the Plan, the terms of the Plan shall prevail.

FPX NICKEL CORP.

Authorized Signatory

Signature of Participant

Name of Participant

EXHIBIT C

NOTICE OF OPTION EXERCISE

TO: **FPX NICKEL CORP.** (the “Corporation”)

FROM: _____

DATE: _____

The undersigned hereby irrevocably gives notice, pursuant to the Corporation’s 2023 Share Compensation Plan (the “Plan”), of the exercise of the Options to acquire and hereby subscribes for:

[check one]

- (a) all of the Optioned Shares; or
- (b) _____ of the Optioned Shares,

which are the subject of the Option Agreement attached hereto.

Calculation of total Exercise Price:

- (i) number of Optioned Shares to be acquired on exercise _____ Optioned Shares
 - (ii) multiplied by the Exercise Price per Optioned Share: \$ _____
- TOTAL EXERCISE PRICE, enclosed herewith (unless this is a cashless exercise): \$ _____

- A. The undersigned (i) at the time of exercise of these Options is not in the “United States” or a “U.S. Person” (as such terms are defined in Regulation S under the United States Securities Act of 1933, as amended (the “1933 Act”) and is not exercising these Options on behalf of a person in the United States or U.S. Person and (ii) did not execute or deliver this Notice of Option Exercise in the United States.
- B. The undersigned has delivered an opinion of counsel of recognized standing or other evidence in form and substance satisfactory to the Corporation to the effect that an exemption from the registration requirements of the 1933 Act, and applicable state securities laws is available for the issuance of the Optioned Shares.

Note: The undersigned understands that unless Box A is checked, the certificates representing the Optioned Shares will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available.

Note: Certificates representing Optioned Shares will not be registered or delivered to an address in the United States unless Box B above is checked.

Note: If Box B is checked, any opinion or other evidence tendered must be in form and substance satisfactory to the Corporation. Holders planning to deliver an opinion of counsel or other evidence in connection with the exercise of Options should contact the Corporation in advance to determine whether any opinions to be tendered or other evidence will be acceptable to the Corporation.

I hereby:

- (a) unless this is a cashless exercise, enclose a cheque payable to “FPX Nickel Corp.” for the aggregate Exercise Price plus the amount of the estimated Withholding Obligations and agree that I will reimburse the Corporation for any amount by which the actual Withholding Obligations exceed the estimated Withholding Obligations; or
- (b) advise the Corporation that I am exercising the above Options on a cashless exercise basis, in compliance with the procedures established from time to time by the Administrators for cashless exercises of Options under the Plan. I will consult with the Corporation to determine what additional documentation, if any, is required in connection with my cashless exercise of the above

Options. I agree to comply with the procedures established by the Corporation for cashless exercises and all terms and conditions of the Plan. Please prepare the Optioned Shares certificates, if any, issuable in connection with this exercise in the following name(s):

Signature of Participant

Name of Participant

Letter and consideration/direction received on _____, 20 ____.

FPX NICKEL CORP.

By: _____
[Name]
[Title]

EXHIBIT D

DEFERRED SHARE UNIT AGREEMENT

THE DEFERRED SHARE UNITS AND THE UNDERLYING COMMON SHARES HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”) OR ANY U.S. STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS SUCH SECURITIES ARE REGISTERED UNDER THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS, OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ALL APPLICABLE U.S. STATE SECURITIES LAWS ARE AVAILABLE. THE TERMS “UNITED STATES” AND “U.S. PERSON” ARE AS DEFINED IN REGULATIONS UNDER THE 1933 ACT.

[Insert if required: **WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS AGREEMENT AND ANY SECURITIES ISSUED UPON EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____, 20____ [FOUR MONTHS AND ONE DAY AFTER THE DATE OF GRANT].**

Notice is hereby given that, effective this _____ day of _____, _____ (the “**Deferred Share Grant Date**”) FPX Nickel Corp. (the “**Corporation**”) has granted to _____ (the “**Participant**”), _____ Deferred Share Units pursuant to the Corporation’s 2023 Share Compensation Plan (the “**Plan**”), a copy of which has been provided to the Participant.

Deferred Share Units are subject to the following terms:

1. The Deferred Share Units shall become vested deferred share units (the “**Vested Deferred Share Units**”) on the 12 month anniversary of the Deferred Share Grant Date. [**Note: Insert performance criteria to vesting, if any.**]
2. The terms and conditions of the Plan, and the Participation and Election Agreement executed by the Participant named below, are hereby incorporated by reference as terms and conditions of this Deferred Share Unit Agreement and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings set out in the Plan.
3. The determination by the Corporation of any question which may arise as to the interpretation or implementation of the Plan or any of the Deferred Share Units granted hereunder shall be final and binding on the Participant and other persons claiming or deriving rights through him or her.
4. The Corporation’s issuance of any Deferred Share Units or the obligation to make any payments under the Plan is subject to compliance with applicable laws. As a condition of participating in the Plan, the Participant agrees to comply with all such applicable laws and agrees to furnish to the Corporation all information and undertakings as may be required to permit compliance with such applicable laws.
5. Neither the Plan nor any action taken thereunder shall interfere with the right of the shareholders of the Corporation to remove a Participant from the Board.
6. This Deferred Share Unit Agreement and the rights of all parties and the construction of each and every provision hereof and of the Plan and any Deferred Share Units granted hereunder shall be construed according to the laws of the Province of British Columbia and the federal laws of Canada applicable therein, excluding reference to conflicts of laws principles.

DATED effective the ____ day of _____, 20____

FPX NICKEL CORP.

By: _____
[Name]
[Title]

ACKNOWLEDGEMENT OF PARTICIPANT

I have read the foregoing Deferred Share Unit Agreement and a copy of the Plan which has been provided to me and hereby accept the Deferred Share Units in accordance with and subject to the terms and conditions of this Deferred Share Unit Agreement and the Plan. I agree to be bound by the terms and conditions of this Deferred Share Unit Agreement and the Plan governing the award.

Date

(Name of Director) [Please Print]

(Signature of Director)

EXHIBIT E

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the 2023 Share Compensation Plan (the “**Plan**”) of FPX Nickel Corp. (the “**Corporation**”).

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 6 of the Plan and to receive ___% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

1. I have received and reviewed a copy of the terms of the Plan and agreed to be bound by them.
2. I recognize that when DSUs credited pursuant to this election are redeemed in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Corporation will make all appropriate withholdings as required by law at that time.
3. The value of DSUs is based on the value of the shares of the Corporation and therefore is not guaranteed.
4. To the extent I am a U.S. taxpayer, I understand that this election is irrevocable for the calendar year to which it applies and that any revocation or termination of this election after the expiration of the election period will not take effect until the first day of the calendar year following the year in which I file the revocation or termination notice with the Corporation.

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan’s text.

Date:

Signature of Participant

Name of Participant

EXHIBIT F

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs (FOR PARTICIPANTS WHO ARE NOT U.S. PARTICIPANTS)

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the 2023 Share Compensation Plan (the “**Plan**”) of FPX Nickel Corp. (the “**Corporation**”).

Notwithstanding my previous election in the form Exhibit E to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 6 of the Plan.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

Signature of Participant

Name of Participant

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

EXHIBIT G

ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUs

(U.S. PARTICIPANTS)

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the 2023 Share Compensation Plan (the “**Plan**”) of FPX Nickel Corp. (the “**Corporation**”).

Notwithstanding my previous election in the form of Exhibit E to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 6 of the Plan.

I understand that this election to terminate receipt of additional DSUs will not take effect until the first day of the calendar year following the year in which I file this termination notice with the Corporation.

I understand that the DSUs already granted under the Plan cannot be redeemed except in accordance with the Plan.

I confirm that I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.

Date:

Signature of Participant

Name of Participant

Note: An election to terminate receipt of additional DSUs can only be made by a Participant once in a calendar year.

**Schedule “B”
to the Information Circular of FPX NICKEL CORP.**

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The following disclosure sets out the Company’s approach to corporate governance in relation to the requirements of National Policy 58 – 201 - *Corporate Governance Guidelines*. (Terms not otherwise defined herein are defined in the Circular):

Board of Directors

Responsibilities of the Board: The business and affairs of the Company are managed by or under the supervision of the Board in accordance with applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators. The Board’s responsibility is to provide direction and oversight. The Board approves the strategic direction of the Company and oversees the performance of the Company’s business and senior management. The Company’s senior management is responsible for presenting strategic plans to the Board for review and approval and for implementing the Company’s strategic direction.

In performing their duties, the primary responsibility of the directors is to exercise their business judgment in what they reasonably believe to be the best interests of the Company. In discharging that obligation, directors rely on the honesty and the integrity of the Company’s senior management and outside advisors and auditors. In fulfilling its statutory mandate and discharging its duty of stewardship of the Company, the Board assumes responsibility for those matters set forth in the Board’s mandate, a copy of which is attached as Appendix 1 hereto.

Size of the Board: The current Board currently consists of seven members and the Board is recommending that the shareholders fix the number of directors to be elected at the Meeting at seven. The Board is also recommending the seven nominees set out in the Circular for election by shareholders as directors of the Company at the Meeting.

Composition of the Board: National Instrument 58-101 – *Disclosure of Good Corporate Practices* (“NI 58-101”) defines an “independent director” as a director who 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 the exercise of a member’s independent judgement. In determining whether a particular director is an “independent director” or a “non-independent director”, the Board considers the factual circumstances of each director in the context of the Corporate Governance Guidelines.

The following sets out all of the individuals who were directors of the Company during fiscal 2022 and whether each of them was or is “independent” within the meaning of NI 58-101 during the time each of them served as a director of the Company: (i) Peter M.D. Bradshaw (independent). Mr. Bradshaw is the Company’s Non-executive Chairman; (ii) Anne R. Currie (independent); (iii) James S. Gilbert (independent); (iv) Peter J. Marshall (independent); (v) William H. Myckatyn (independent); (vi) Robert B. Pease (independent), and (vii) Martin Turenne (non-independent). Mr. Turenne is the Company’s President & CEO.

The Guidelines in National Policy 58-201 – *Disclosure of Corporate Governance Practices* are not prescriptive but have been used by the Company in developing its corporate governance policies. The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent”. At all times during fiscal 2022, a majority of the members of the Board were “independent directors” within the meaning of NI 58-101.

The following current director of the Company who is proposed as a nominee for election is presently a director of other issuers that are reporting issuers (or the equivalent) in any jurisdiction, including foreign jurisdictions:

Nominee for Director	Other Reporting Issuers
Robert B. Pease	Liberty Gold Corp. Endurance Gold Corporation Liberio Copper Corporation

Selection of Directors, Director Term Limits and Gender Diversity: In late 2014, the securities regulators in Canada (other than Alberta and British Columbia) adopted an amendment to NI 58-101 requiring companies to include disclosure in their management information circulars or annual information forms, as applicable, in respect of director term limits and requiring new disclosure regarding the representation of women on boards and in executive officer positions. Anne Currie accepted an invitation to join the Board of Directors and was appointed to the Board effective April 11, 2022. At present none of the Company's executive officers are women. The Company does not have written policies relating to the selection of individuals as nominees for election as directors, director term limits or gender diversity.

The Corporate Governance & Nominating Committee (the "CG&NC") is responsible for identifying and recommending to the Board potential candidates to become directors of the Company. While there are no specific written criteria for Board membership, the Company seeks to attract and retain directors with an understanding of the Company's business and knowledge and experience of mineral exploration and development or other relevant areas (such as accounting, finance, legal and sustainable development matters) that would assist in guiding management of the Company. The CG&NC also considers the composition of the Board with a view to ensuring that the backgrounds, experiences and knowledge of Board members are diverse and complementary. The Board, taking into consideration the CG&NC's recommendations, is responsible for selecting the nominees for election to the Board, for recommending individuals for appointment as directors to fill vacancies, and determining whether a nominee or appointee is independent.

FPX Nickel does not impose term limits on its directors, believing that this arbitrary mechanism for removing directors can result in valuable, experienced directors being forced to leave the Board. The Company believes that the best means to achieving Board renewal is for it to happen organically, and in tandem with the nomination process managed by the CG&NC that considers a number of factors, including identifying and selecting individuals who possess the skills, competencies, knowledge and have the business acumen, time available and independence to effectively discharge their responsibilities and best serve the Company.

FPX Nickel does not support the adoption of quotas or targets regarding gender representation on the Board or in executive officer positions. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and other qualities which the Board as a whole requires to be effective, with due regard for the benefits of diversity, including the level of representation of women on the Board.

With respect to appointments to executive officer positions, FPX Nickel recruits and promotes on the basis of an individual's competence, qualification, experience and performance, regardless of gender, age, or other aspects of diversity.

Election of Directors: The Board has a majority voting policy, pursuant to which each director should be elected by the vote of a majority of the Common Shares represented in person or proxy at any meeting for the election of directors. If any nominee for election as director receives, from the Common Shares voted at the meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election, the director will be expected to tender his or her resignation to the Chairman of the Board following the meeting, to take effect upon acceptance by the Board. The Corporate Governance & Nominating Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept such offer. Within 90 days of the meeting of shareholders, the Board will make a final decision concerning the acceptance of the director's resignation. This process applies only in circumstances involving an "uncontested" election of directors - where the number of director nominees does not exceed the number of directors to be elected and where no proxy materials are circulated in support of one or more nominees who are not part of the slate supported by the Board for election at the meeting. Subject to any corporate law restrictions, where the Board accepts the offer of resignation of a director and that director resigns, the Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual meeting of shareholders, fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or call a special meeting of shareholders to elect a new nominee to fill the vacant position.

Non-executive Chairman of the Board: The Non-executive Chairman is an independent director. The role of the Non-executive Chairman is to assume the leadership of the Board and, with the committees of the Board, to foster and preserve the independence of the Board. The Non-executive Chairman's responsibilities include chairing all meetings

of directors, providing leadership to the Board, managing the Board, acting as a liaison between the Board and management of the Company and representing the Company.

Board Committees

The Board has established four Board committees: Audit Committee; Compensation Committee, Corporate Governance and Nominating Committee, and Sustainability Committee. Each such committee is composed of no fewer than three members. Members of committees are appointed by the Board and each committee (or the Board) generally designates one member of the committee as chair of that committee.

Audit Committee: The Audit Committee is currently comprised of three directors: James S. Gilbert (Chair); Anne R. Currie and Robert B. Pease. For the purposes of National Instrument 52-110 - *Audit Committees* (“NI 52-110”), all members of the Committee are financially literate and independent. The responsibilities and operation of the Audit Committee are described in the copy of the Audit Committee Mandate attached as Appendix B to the Company’s Annual Information Form (“AIF”) dated April 19, 2022. A copy of the AIF is available under the Company’s Profile on the SEDAR website and on the Company’s website at www.fpxnickel.com.

Compensation Committee: The Compensation Committee is currently comprised of three directors: William H. Myckatyn (Chair), Peter J. Marshall and James S. Gilbert, all of whom are independent. The duties of the committee include: (i) reviewing the compensation and performance of the President & CEO and (ii) determining compensation of directors and other senior officers, and (iii) reviewing, prior to publication, the executive compensation disclosure in the Company’s AIF and Circular.

Corporate Governance & Nominating Committee: The Corporate Governance & Nominating Committee (Robert Pease as Chair) is currently comprised of all members of the Board, all of whom are independent, with the exception of Mr. Turenne, who is non-independent. The purpose of the committee is to assist the Board in developing the Company’s approach to governance. In general terms, the committee’s responsibilities include: (i) periodically reviewing the Company’s corporate governance practices; (ii) evaluating each director against the independence criteria established by NI 58-101 on at least an annual basis; (iii) reviewing, in conjunction with management and prior to publication, the corporate governance disclosure in the Company’s AIF and management proxy circular; (iv) reviewing and, if advisable, approving and recommending for approval by the Board any proposed material changes to the Company’s organizational structure; (v) monitoring conflicts of interest of both the Board and management in accordance with the Company’s code of business conduct and ethics; (vi) evaluating the performance of the Board, each Board committee and individual directors and (vii) identifying potential candidates to become Board members. The committee operates pursuant to a written Mandate that was adopted during 2013.

Sustainability Committee: The Sustainability Committee is currently comprised of three directors: Anne Currie (Chair), James Gilbert; and Robert Pease. The committee provides guidance to the Board and management on the Company’s sustainability strategy, environmental and social priorities that are core to the Company’s purpose and the Company’s health and safety policies and practices.

Position Descriptions

The Board has developed written position descriptions and corporate objectives for the Chairman of the Board and the President & CEO in order to delineate their respective roles and responsibilities. The Board has not to date developed formal position descriptions for the Chair of each of the Board committees.

Orientation and Continuing Education

While the Company currently has no formal program to orient new directors to the role of the Board, its committees and its directors and the nature and operation of the Company’s business, the Company’s practice for new directors is to be thoroughly briefed by management of the Company and to be provide opportunities to discuss with management, both formally and informally, the Company’s activities. New directors are provided with copies of relevant policies and similar materials to ensure that they are familiarized with the Company and its business as well as Board procedures.

The Corporate Governance & Nominating Committee is responsible for overseeing the development of any orientation programs for new directors. Although the Company does not have a formal program for the continuing education of directors, the Board ensures that its directors maintain the skills and knowledge necessary to meet their obligations as

directors of the Company by scheduling presentations to the Board from time to time to educate directors and keep them informed of developments within the Company and of disclosure and governance requirements and standards.

Disclosure Policy

The Board has adopted a written disclosure policy (the “**Disclosure Policy**”) to provide a framework for the Company’s approach to disclosure. The Disclosure Policy is reviewed periodically by the Sustainability Committee and the Board. The policy extends to all employees, consultants, officers, the Board and those authorized to speak on its behalf. The Disclosure Policy addresses disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, press releases, letters to shareholders, presentations by senior management and information contained on the Company’s website and other electronic communications. It also extends to oral statements made in meetings and telephone conversations with members of the investment community, interviews with the media, as well as speeches and conference calls and dealings with the public generally.

Annual reports to shareholders, AIFs, Circulars prepared in connection with meetings of the shareholders, registration statements and securities filings must be submitted to the Board for review prior to the planned publication or filing date.

In addition, financial results contained in disclosure documents will require the prior approval of the Audit Committee.

All press releases require the prior approval of the CEO and the CFO & Corporate Secretary. If technical information is being disclosed, the press release will also be reviewed by the Chairman or the Vice-President – Projects, as appropriate. Each is a Qualified Person (the Vice-President – Projects is not independent) within the meaning of National Instrument 43-101.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics for the Company’s directors, officers and employees that sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the Company (the “**Code**”). A copy of the Code is available on the Company’s website at www.fpxnickel.com. The Board has also finalized an Anti-Corruption Policy to ensure that the Company complies with the *Corruption of Foreign Public Officials Act* (Canada). In addition, the Board has established anonymous and confidential reporting procedures pursuant to the Company’s Whistleblower Policy in order to encourage employees, directors and officers to raise concerns regarding various matters, including matters addressed by the Code, on a confidential basis free from discrimination, retaliation or harassment. Persons who violate the Code may face disciplinary actions, including dismissal.

Subject to certain exceptions prescribed under the *Business Corporations Act* (Alberta) (the “**ABCA**”), a director who is a party to a material contract or proposed material contract with the Company or who is a director or officer of a party to such a contract or otherwise has a material interest in a party to such a contract must disclose the nature and extent of the director’s interest to the Company and any material change in that interest. The Code and the ABCA also provide that, subject to certain exceptions prescribed under the ABCA, the interested director shall not attend any part of a meeting of directors during which the matter in which the director has a material interest is discussed and shall not vote on any resolution to approve such matter.

Compensation

The Compensation Committee is responsible for, among other things, periodically reviewing and recommending for approval by the Board the appropriate levels of compensation for directors and senior management of the Company. In addition, the committee reviews the disclosure in the Company’s continuous disclosure documents relating to executive compensation prior to that information being disseminated.

Assessments

The Corporate Governance & Nominating Committee assesses, on a periodic basis, the contributions of the Board as a whole, each Board committee and each individual director, in order to determine their effectiveness and contribution to the Company. The assessment process includes the completion of evaluation questionnaires by each member of the Board and committees and discussion of the responses thereto.

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

