



**LEVIATHAN GOLD LTD.**

**NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR  
WITH RESPECT TO THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON NOVEMBER 15, 2022**

Dated: October 18, 2022

**LEVIATHAN GOLD LTD.**  
1090 West Georgia Street, Suite 488  
Vancouver, British Columbia, V6E 3V7

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

**NOTICE** is hereby given that the annual general and special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of Leviathan Gold Ltd. (the “**Company**”), to be held at Fasken Martineau DuMoulin LLP (24<sup>th</sup> floor) 333 Bay Street Toronto, ON M5H 2T6 on November 15, 2022 at 10:00 a.m. (Eastern Time) for the following purposes:

1. to receive and consider the audited financial statements for the fiscal years ended June 30, 2022 and June 30, 2021 together with the report of the auditors thereon;
2. to appoint Davidson & Company LLP, Chartered Accountants, as auditors for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditors;
3. to fix the number of directors of the Company for the ensuing year at four (4);
4. to elect directors of the Company for the ensuing year;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of disinterested Shareholders to approve and adopt, the Company’s proposed long-term incentive plan, a copy of which is attached as Schedule “A” to the accompanying Information Circular (as such term is hereinafter defined); and
6. to transact such other business as may properly be transacted at such meeting or at any adjournment thereof.

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is October 11, 2022 (the “**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof.

If you are unable to attend the Meeting in person, please read the notes accompanying the instrument of proxy enclosed herewith (the “**Proxy**”) and then complete and return the Proxy within the time set out in the notes. As set out in the notes, the enclosed Proxy is solicited by management of the Company, but, you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting.

**DATED** at Toronto, Ontario, this 18<sup>th</sup> day of October, 2022.

**BY ORDER OF THE BOARD OF DIRECTORS OF LEVIATHAN GOLD LTD.**

“*Luke Norman*”  
\_\_\_\_\_  
Luke Norman  
Chairman, Director and Chief Executive Officer

**LEVIATHAN GOLD LTD.**  
1090 West Georgia Street, Suite 488  
Vancouver, British Columbia, V6E 3V7

## **MANAGEMENT INFORMATION CIRCULAR**

Containing information as at October 18<sup>th</sup>, 2022 unless otherwise noted.

### **SOLICITATION OF PROXIES**

#### **Solicitation of Proxies by Management**

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Leviathan Gold Ltd. (the “**Company**”) for use at the annual general and special meeting of shareholders of the Company (the “**Shareholders**”) (and any adjournment thereof) to be held on November 15, 2022 (the “**Meeting**”) at 10:00 a.m. (Eastern Time) at Fasken Martineau DuMoulin LLP (24<sup>th</sup> floor) 333 Bay Street, Toronto, ON M5H 2T6 and for the purposes set forth in the accompanying notice of annual general and special meeting of shareholders (the “**Notice of Meeting**”) and any adjournment thereof.

#### **Costs and Manner of Solicitation**

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone, facsimile or electronically by the directors and regular employees of the Company or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of common shares of the Company (the “**Common Shares**”). The costs incurred in the preparation of the Proxy (as defined below), Notice of Meeting and this Information Circular and costs incurred in the solicitation of proxies will be borne by the Company.

### **RECORD DATE**

The board of directors of the Company (the “**Board**”) has fixed October 11, 2022 as the record date (the “**Record Date**”) for the purpose of determining the Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting. Each Shareholder is entitled to one vote for each Common Share held and shown as registered in such holder’s name on the list of the Shareholders prepared as of the close of business on the Record Date. The list of the Shareholders will be available for inspection during usual business hours at the principal office of the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**” or the “**Transfer Agent**”) located in Vancouver, British Columbia and will also be available for inspection at the Meeting.

### **VOTING IN PERSON AT THE MEETING**

Each registered Shareholder (the “**Registered Shareholders**”), whose name has been provided to the Company’s Transfer Agent, will appear on a list of shareholders prepared by the registrar and Transfer Agent for purposes of the Meeting. To vote in person at the Meeting, each Registered Shareholder will be required to register for the Meeting by identifying themselves to the scrutineer. Non-registered beneficial Shareholders (the “**Beneficial Shareholders**”) must appoint themselves as a proxyholder to vote in person at the Meeting. Also see “Non-Registered Shareholders” below.

### **APPOINTMENT OF PROXYHOLDERS**

If a Registered Shareholder cannot attend the Meeting but wishes to vote on the resolutions, the Registered Shareholder should sign, date and deliver the enclosed form of proxy (the “**Proxy**”) to the Transfer Agent, Computershare, Attention: Proxy Department, at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 so it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or

any adjournment thereof, or received by the chair of the Meeting before the commencement of the Meeting, or any adjournment thereof.

The individuals named in the accompanying Proxy are officers and/or directors of the Company (the “**Management Nominees**”). **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS 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 THE MANAGEMENT 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.** A Shareholder giving a proxy has the right to attend the Meeting, or appoint someone else to attend as his or her proxy at the Meeting and the Proxy submitted earlier can be revoked in the manner described under “Revocation of Proxies” below.

If your Common Shares are registered in your name, then you are a Registered Shareholder. However, if, like most Shareholders, you do not hold your Common Shares in your own name, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all Shareholders.

### **REGISTERED SHAREHOLDERS**

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the enclosed Proxy and returning it to the Transfer Agent, **COMPUTERSHARE INVESTOR SERVICES INC., ATTENTION: PROXY DEPARTMENT, 100 UNIVERSITY AVENUE, 8<sup>TH</sup> FLOOR, TORONTO, ON M5J 2Y1**, by mail. 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.
- (b) use a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder’s account number and the control number; or
- (c) use the internet through the website of the Transfer Agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder’s account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used. The deadline for the receipt of proxies for the Meeting is 10:00 a.m. (Eastern Time) on November 10, 2022.

### **NON-REGISTERED SHAREHOLDERS**

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are “non-registered” Shareholders because the Common 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 Common Shares in their own name (i.e. Beneficial Shareholders) should note that only Registered Shareholders may vote at the Meeting.** If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in such Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker or other intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS Inc. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting

shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the Proxy provided by the Company to the Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). If a Beneficial Shareholder has previously consented, the Beneficial Shareholder will receive an email from Broadridge with instructions to vote online. 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.

Beneficial Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners or "**NOBOs**". Those Beneficial Shareholders who have objected to their intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners or "**OBOs**". Neither OBOs nor NOBOs will be receiving the Proxy directly from the Company and will instead receive a voting instruction form ("**VIF**") or other form of proxy from an intermediary as described above. Pursuant to NI 54-101, the Company has distributed copies of the Notice of Meeting, the Proxy, this Information Circular and any other proxy-related materials in connection with the Meeting (the "**Meeting Materials**") to such intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company will not pay for intermediaries to forward the proxy-related materials to OBOs.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting, and the appointment of any shareholder's representative. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) in accordance with the instructions on such materials in order to properly vote their Common Shares at the Meeting.**

The Company has not adopted the notice and access procedure described in NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") to distribute its proxy-related materials to the Registered Shareholders and Beneficial Shareholders.

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

## VOTING OF PROXIES

The Common Shares represented by a properly executed Proxy in favour of persons proposed by management of the Company as proxyholders in the accompanying 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 Proxy, be voted in accordance with the specification made in such Proxy.

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

The enclosed Proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed as 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 Proxy to vote in accordance with their best judgment on such matters or business.

At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented at the Meeting.

### Revocation of Proxies

A Shareholder or intermediary who has submitted a proxy may revoke it by an instrument in writing executed by the Registered Shareholder or intermediary or by his or her attorney authorized in writing or, if the Registered Shareholder is a corporation, by a duly authorized officer or attorney of the company, and delivered to the registered office of the Company at 2900-550 Burrard Street, Vancouver, British Columbia, Canada, V6C 0A3 (Attention: Luke Norman, CEO of Leviathan Gold Ltd.) or at the office of the Transfer Agent at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, ON, M5J 2Y1 at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law; or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting, and upon such deposit the previous proxy is revoked. A revocation of an appointed proxy does not affect any matter on which a vote has been taken prior to the revocation.

### Exercise of Discretion by Proxies

A Registered Shareholder or intermediary may indicate the manner in which the persons named in the enclosed Proxy are to vote with respect to any matter by checking the appropriate space. On any poll, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy. If the Registered Shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, the space should be left blank. **IN SUCH INSTANCE, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.**

The Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter. However, if any other matters which are not now known to management should properly come before the Meeting, the proxies in favour of Management Nominees will be voted on such matters in accordance with the best judgment of the Management Nominees.

## **INFORMATION CONCERNING THE COMPANY**

The Company was incorporated on June 24, 2020 under the *Business Corporations Act* (British Columbia).

The Company was incorporated as the target company for certain assets and liabilities that were spun out from Fosterville South Exploration Ltd. Further information regarding the spin-out transaction can be found in the Company's public disclosure documents located on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company is a reporting issuer in the provinces of British Columbia and Alberta.

The Company's Common Shares are traded on the TSX Venture Exchange (the "Exchange") under the stock symbol "LVX". The address of its head office is located at Suite 488-1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7. The Company's registered and records office is 2900-550 Burrard Street, Vancouver, British Columbia, Canada, V6C 0A3.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at the Record Date, there were 99,723,831 Common Shares issued and outstanding. The holders of Common Shares are entitled to receive notice of all meetings of Shareholders and to attend and vote the Common Shares at all such meetings. Each Common Share carries with it the right to one vote.

Any holder of Common Shares of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered the Proxy in the manner and subject to the provisions described above shall be entitled to vote or to have his/her/its Common Shares voted at the Meeting.

The articles of the Company provide that, unless there is only one Shareholder entitled to vote at a the meeting, the presence in person or by proxy of two persons who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 5% of the Common Shares entitled to be voted at the Meeting is necessary to constitute a quorum of Shareholders. On a show of hands, every holder of Common Shares, who is present and is entitled to vote as a Shareholder or as a representative of one or more corporate Shareholders 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 that Shareholder's name on the list of Shareholders as at the Record Date, which is available for inspection during normal business hours at the offices of the Transfer Agent and will be available at the Meeting.

To the knowledge of the directors and senior officers of the Company, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

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

No director or executive officer of the Company, or any person who has held such a position during financial year ended June 30, 2022, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

### **Board of Directors**

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board is committed to a high standard of corporate governance practices. The

Board believes that this commitment is not only in the best interest of the Shareholders, but that it also promotes effective decision making at the Board level.

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board being held to obtain an update on significant corporate activities and plans, both with and without members of the Company's management being in attendance.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) defines an “independent director” as a director who has no direct or indirect “material relationship” with the issuer. A “material relationship” is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.

The Board is currently comprised of three (3) directors being Luke Norman, Jonathan Richards and Krisztian Toth. Mr. Toth is independent within the meaning of NI 58-101. Messrs. Norman and Richards are not independent as each is an officer of the Company and thereby each has a “material relationship” with the Company.

### **Corporate Governance Guidelines**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day- to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 – *Corporate Governance Guidelines* (“**NI 58-201**”) establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. NI 58-101 mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- 1) the *Business Corporations Act* (British Columbia);
- 2) the Company's articles of incorporation; and
- 3) other applicable laws and Company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.



The Board is responsible for choosing the Chief Executive Officer and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management’s responsibilities and the corporate objectives to be met by the management.

The Board, through the Company’s audit committee (“**Audit Committee**”), examines the effectiveness of the Company’s internal control processes and management information systems. The Board consults with the internal auditor and management of the Company to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Company’s internal control processes and management information systems. The Board is responsible for determining whether or not each director is an independent director. The Chief Executive Officer, Chief Financial Officer and any other officer are not considered independent. None of the other directors work in the day-to-day operations of the Company, are party to any material contracts with the Company, or receive any fees from the Company except as disclosed in this Information Circular dated October 18, 2022.

**Other Public Company Directorships**

The following Board nominees currently serve on the board of directors of reporting issuers (or the equivalent in a jurisdiction outside of Canada) other than the Company as listed below:

<b>Name of Directors</b>	<b>Name of Other Reporting Issuer</b>
Krisztian Toth	Trillium Gold Mines Inc., TSX-V; Valour Inc., NEO; Voyager Digital Ltd., TSX and Pasofino Gold Limited, TSX-V
Luke Norman	Northern Lion Gold Corp., TSX-V; Silver One Resources Inc., TSX-V, U.S. Gold Corp., Nasdaq and Trillium Gold Mines, TSX-V
Jonathan Richards	Zacatecas Silver Corp., TSX-V and ProStar Holdings Inc., TSX-V
Jeffrey O’Neill	Sanibel Ventures Corp., TSX-V, Barksdale Resources Corp., TSX-V, Northern Lion Gold Corp., TSX-V

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders of the Company by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders. The Board has not formed a nominating committee or similar committee to assist the Board with the nomination of directors for the Company.

The Board considers itself too small to warrant creation of such a committee; and each of the directors has contacts he can draw upon to identify new members of the Board as needed from time to time.

The Board has not implemented a formal process for assessing its effectiveness. As a result of the Company's size and stage of development, the Board considers a formal assessment process to be inappropriate at this time. The Board will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company on an ad hoc basis. As required, directors will recommend suitable candidates for consideration as members of the Board.

The Board conducts reviews with regard to directors' and officers' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the Company's business ventures, financial position and types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders. The Board monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the Board and sub-committees.

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

### **Presentation of Financial Statements**

The audited consolidated financial statements of the Company for the financial years ended June 30, 2022 and 2021, and the accompanying auditors' report thereon will be presented at the Meeting. The audited financial statements, the report of the auditor, together with the management's discussion and analysis can be found on [www.sedar.com](http://www.sedar.com).

### **Appointment of Auditor**

The auditors of the Company are Davidson & Company LLP, Chartered Accountants, of 1200 – 609 Granville Street, Vancouver, British Columbia, Canada V7Y 1G6. Shareholders are being asked to appoint Davidson & Company LLP, Chartered Accountants as auditor of the Company to hold office until the next annual meeting of shareholders or until its successor is appointed, and that the Board be authorized to fix the auditors' remuneration. **Proxies received in favour of management will be voted FOR the appointment of Davidson & Company LLP, Chartered Accountants as auditor of the Company to hold office until the next annual meeting of shareholders and the authorization of the directors to fix their remuneration, unless the Shareholder has specified in the Proxy that his or her Common Shares are to be withheld from voting in respect thereof.**

### **Election of Directors**

The number of directors of the Company to be elected at the Meeting is four (4). Three of the nominees for election as directors are currently directors of the Company. At the Meeting, it is proposed that the nominees set out herein be elected as directors of the Company. Each director elected will hold office until the next annual meeting of Shareholders or until such person's successor is elected or appointed, unless such person's office is earlier vacated in accordance with the by-laws of the Company, or with the provisions of the *Business Corporations Act* (British Columbia). **Each of the persons named below will be presented for election at the Meeting as Management's Nominees and unless such authority is withheld, the persons named in the enclosed Proxy will vote FOR the election of each of the nominees whose names are set forth below.** No class of shareholders of the Company has the right to elect a specified number of directors or to cumulate their votes for directors.

The following table sets out the names of the nominees for election as directors, the municipality in which each is ordinarily resident, all offices of the Company now held by each of them, their present principal occupation or employment, the period of time for which each has been a director of the Company, and the number of Common Shares of the Company or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

Name, Current Position with the Company and Province or State and Country of Residence <sup>(4)</sup>	Principal Occupation	Date First Became a Director	Common Shares Beneficially Owned or Controlled (undiluted) <sup>(1)(2)</sup>
Luke Norman <sup>(3)</sup> Director, Chairman and Chief Executive Officer British Columbia, Canada	Chief Executive Officer and mining consultant for over 10 years.	November 23, 2020	2,900,000 (2.91%)
Jonathan Richards <sup>(3)</sup> Director and Chief Financial Officer British Columbia, Canada	Chartered professional accountant working as a chief financial officer of various TSXV listed companies.	November 23, 2020	250,000 (0.25%)
Krisztian Toth <sup>(3)</sup> Director Ontario, Canada	Partner at Fasken Martineau DuMoulin LLP.	November 23, 2020	250,000 (0.25%)
Jeffrey O'Neill <sup>(4)</sup> Director Nominee British Columbia, Canada	President/owner of JMO Enterprises Ltd., a private consulting firm.	N/A	Nil

Notes:

- (1) Information as to voting shares beneficially owned, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
- (2) Percentages calculated based on 99,723,831 Common Shares issued and outstanding as at the date of this Information Circular.
- (3) Member of Audit Committee.
- (4) The information as to country of residence, principal occupation and number of shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (5) If elected at the Meeting, Mr. O'Neill is expected to be appointed and to replace Mr. Richards as a member of the Audit Committee.

*Biographies of Proposed Directors*

**Luke Norman, Director and Chairman.** Luke Norman is a seasoned growth executive with 20 years of experience in the venture capital markets. He has raised in excess of \$300M for both public and private companies predominantly in the resource sector. In recent years, Mr. Norman has operated a consultancy company to the metals and mining industry. He also co-founded Gold Standard Ventures Corp., a TSXV and NYSE Market listed gold exploration company and US Gold Corp., listed on the Nasdaq exchange. He is the President and CEO of Northern Lion Gold Corp., a TSXV-listed company focused on building a portfolio of projects within mining-friendly and infrastructure-rich areas of Europe, Chairman of U.S. Gocp Corp., a Nasdaq listed company focused on gold exploration and development in Wyoming and Nevada, Executive Chairman of Trillium Gold, a TSXV listed company focused on exploring the Re Lake Mining District in Ontario, Canada, and the Chairman of Silver One Resources, a silver pre-development and exploration company listed on the TSXV. Mr. Norman brings expertise in mineral exploration, finance, corporate governance, M&A and corporate leadership to his role as Executive Chairman.

**Jonathan Richards, Director.** Jonathan Richards has over a decade of resource-focused accounting and finance experience and has accumulated extensive experience with Toronto Stock Exchange and venture-listed companies, as well as numerous private companies throughout the world. His professional experience has included officer and director positions on the TSX and TSXV; experience in various debt and equity financings; implementation of ERP systems to manage mining operations; managing domestic and international tax planning strategies; and implementation of corporate governance and internal control policies. Mr. Richards holds class honours from the University of Waikato, New Zealand, started his career at KPMG in the audit and assurance division, and is a member of the Chartered Professional Accountants of British Columbia as well as Chartered Accountants of Australia and New Zealand. Mr. Richards is currently the CFO of Fosterville South Exploration Ltd, Turmalina Metals Corp. and European Electric Metals Corp and is Director and CFO of Zacatecas Silver Corp and ProStar Holdings Inc.

**Krisztian Toth, Director.** Krisztian Toth is an experienced mining, securities and M&A lawyer and partner at the law firm of Fasken Martineau DuMoulin LLP, which is a leading international business law and litigation firm with eight offices with more than 700 lawyers across Canada and in the UK and South Africa. Fasken's Global Mining Group has been #1 ranked globally 11 times since 2005, including for the past five years in a row. Mr. Toth began his career at Fasken in 2002, eventually becoming a partner of the firm in 2009. He has expertise in the national and international mining and oil and gas sectors in Europe, Africa, Latin America, Canada and the United States. Mr. Toth has particular expertise in mining M&A and mining finance including royalty, streaming and joint venture transactions and acts for both Canadian and international companies involved in takeover bids, proxy contests, plans of arrangement, domestic and cross-border offerings (both public and private), corporate reorganizations, stock exchange listings, continuous disclosure obligations and other regulatory compliance issues. He has been recognized by the *Canadian Legal Expert Directory* for his mining experience and the *IFLR1000* for his capital markets work. Mr. Toth is also currently the Chairman of Pasofino Gold Limited (TSX-V: VEIN), which is developing gold projects in Canada and West Africa, and a director of each of the following: Trillium Gold Mines Inc. (TSX-V: TGM), which is developing gold projects in Canada; Valour Inc. (NEO: DEFI), which is a digital asset investment firm; and Voyager Digital Ltd. (TSX: VOYG), which is a cryptocurrency platform.

**Jeffrey O'Neill, Director Nominee.** Jeffrey O'Neill is President and owner of JMO Enterprises Ltd., a private consulting firm specializing in acquiring mineral exploration projects in Canada and the USA. From 2007 to 2013 Mr. O'Neill acted as Regional Sales Manager, Western Canada, for Primus Business Solutions. In 2004, Jeff co-founded Momentum Conferencing Solutions, the then largest Canadian reseller of voice collaboration solutions, and acted as Vice President, Sales until 2007. Mr. O'Neill is a directors of each of the following: Northern Lion Gold Corp. (TSX-V: NL), which is exploring gold-bearing mineral resource properties in Canada, Barksdale Resources Corp. (TSX-V: BRO.V), which is exploring precious and base metal mineral properties in Arizona, USA and Sonora, Mexico, and Sanibel Ventures Corp. (TSX-V: SBEL.P), which is a capital pool company listed on the Exchange.

#### *Cease Trade Orders, Penalties and Sanctions and Bankruptcies*

Except as provided below, no proposed director of the Company is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company (including the Company) that, (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

Mr. Toth is a director of Voyager Digital Ltd. ("**Voyager**"). On July 5, 2022, Voyager commenced a voluntary Chapter 11 process in the U.S. Bankruptcy Court of the Southern District of New York and recognition of this order was obtained in the Ontario Superior Court of Justice (Commercial List) pursuant to the *Companies' Creditors Arrangement Act*.

Mr. O'Neill is a director of Sanibel Ventures Corp., a capital pool company that was suspended from trading by the Exchange on July 30, 2020 for failure to complete a qualifying transaction within 24 months of its listing.

No proposed director of the Company has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

No proposed director of the Company has, within the 10 years before the date hereof, 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.

**Approval of the Long-Term Incentive Plan**

The Board recommends that the Company adopt a long-term incentive plan (the “**LTIP**”) to attract, retain, and motivate persons of training, experience, and leadership to serve as management, employees, and consultants of the Company and that such plan supersede the Company’s current 10% “rolling” incentive stock option plan (the “**Stock Option Plan**”), with prior stock option (“**Option**”) grants to be administrated under the LTIP following its adoption. A copy of the LTIP is attached as Schedule “A” to this Circular.

Disinterested Shareholders will be asked at the Meeting to vote on the following ordinary resolution, with our without variation, to approve the LTIP:

**“BE IT RESOLVED THAT:**

- 1) The LTIP be and is hereby ratified, affirmed and approved until the date of the Company’s next annual general meeting at which Shareholder approval is being sought;
- 2) The form of the LTIP may be amended in order to satisfy the requirements or requests of any regulatory authorities or stock exchange without requiring further approval of the Shareholders of the Company;
- 3) Any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution.

**To be approved, the foregoing resolution requires the affirmative vote of at least the majority of the votes cast by disinterested Shareholders on the resolution. Proxies received in favour of management will be voted FOR the resolution to approve and ratify the LTIP, unless the shareholder has specified in a proxy that his, her or its shares are to be voted against the resolution.**

The following table summarizes the key provisions of the LTIP. This summary is qualified in its entirety by reference to the full text of the LTIP attached as Schedule “A” to this Information Circular.

<b>Eligible Participants</b>	For all awards, any director, officer, employee or consultant of the Company or any subsidiary of the Company who is eligible to receive awards under the LTIP.
<b>Types of Awards</b>	Stock options, Performance Share Units (“ <b>PSUs</b> ”), Restricted Share Units (“ <b>RSUs</b> ”) and Deferred Share Units (“ <b>DSUs</b> ”), collectively referred to as “awards”. The awards shall be for Common Shares.
<b>Number of Securities Issued and Issuable</b>	<p>The aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all stock options granted under the LTIP shall not exceed 10% of the issued and outstanding Common Shares at the time of granting the stock option (on a non-diluted basis). The stock option component of the LTIP is an “evergreen” plan, thus if the Company issues additional Common Shares in the future the number of the Common Shares issuable under the LTIP will increase accordingly.</p> <p>The aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards other than stock options, shall not exceed 5% of the issued and outstanding Common Shares at the time of shareholder</p>

	approval of the LTIP.
<b>Plan Limits</b>	<p>When combined with all of the Company’s other security-based compensation arrangements, the LTIP shall not result in:</p> <ul style="list-style-type: none"> <li>• a number of the Common Shares issued to insiders (as a group) within a one-year period exceeding 10% of the issued and outstanding Common Shares,</li> <li>• a number of the Common Shares issuable to insiders (as a group) at any time exceeding 10% of the issued and outstanding Common Shares,</li> <li>• a number of the Common Shares issuable to any one participant within a one-year period exceeding 5% of the issued and outstanding Common Shares,</li> <li>• a number of the Common Shares issuable to any one consultant within a one-year period exceeding 2% of the issued and outstanding Common Shares,</li> <li>• the issuance of awards, other than stock options, to an Investor Relations Service Provider,</li> <li>• a number of the Common Shares issuable to Investor Relations Service Providers (as a group) within a one-year period exceeding 2% of the issued and outstanding Common Shares.</li> </ul>
<b>Definition of Market Price</b>	“ <b>Market Price</b> ” has the meaning ascribed to it pursuant to the Exchange Policy 1.1 – <i>Interpretation</i> , as amended from time to time.
<b>Assignability</b>	An award may not be assigned, transferred, charged, pledged or otherwise alienated, other than to a participant’s personal representatives.
<b>Amending Procedures</b>	<p>The Board may at any time or from time to time, in its sole and absolute discretion and without Shareholder approval, amend, suspend, terminate or discontinue the LTIP and may amend the terms and conditions of any awards granted thereunder, provided that no amendment may materially and adversely affect any award previously granted to a participant without the consent of the participant. By way of example, amendments that do not require Shareholder approval and that are within the authority of the Board include but are not limited to:</p> <ul style="list-style-type: none"> <li>• amendments of a “housekeeping nature” (including to give effect to the Share Amendment);</li> <li>• any amendment for the purpose of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP;</li> <li>• an amendment which is necessary to comply with applicable law or the requirements of any stock exchange on which the Company’s Shares are listed;</li> <li>• amendments respecting administration and eligibility for participation under the LTIP;</li> <li>• changes to the terms and conditions on which awards may be or have been granted pursuant to the LTIP, including changes to the vesting provisions and terms of any awards;</li> <li>• any amendment which alters, extends or accelerates the terms of vesting applicable to any Award; and</li> <li>• changes to the termination provisions of an award or the LTIP which do not entail an extension beyond the original fixed term.</li> </ul> <p>Notwithstanding the foregoing, Shareholder approval, or disinterested Shareholder approval as applicable, shall be required for the following amendments:</p> <ul style="list-style-type: none"> <li>• reducing the exercise price of stock options, or canceling and reissuing any stock options so as to in effect reduce the exercise price;</li> <li>• extending (i) the term of a stock option beyond its original expiry date, or</li> </ul>

	<p>(ii) the date on which a performance share unit, restricted share unit or deferred share unit will be forfeited or terminated in accordance with its terms, other than in circumstances involving a blackout period;</p> <ul style="list-style-type: none"> <li>• increasing the fixed maximum number of the Common Shares reserved for issuance under the LTIP;</li> <li>• revising participation limits;</li> <li>• amending the definition of “Eligible Person” that may permit the reintroduction of non-executive directors on a discretionary basis; and</li> <li>• revising the amending provisions.</li> </ul>		
<b>Financial Assistance</b>	The Company will not provide financial assistance to participants under the LTIP.		
<b>Other</b>	<p>In the event of a change in control, the Board shall have the right, but not the obligation, to permit each participant to exercise all of the participant’s outstanding stock options and to settle all of the participant’s outstanding PSUs, RSUs and DSUs, subject to completion of the change in control, and has the discretion to accelerate vesting.</p> <p>The LTIP further provides that if the expiry date or vesting date of stock options is during a blackout period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the blackout period. In the case of PSUs, RSUs and DSUs, any settlement that is effected during a blackout period shall be in the form of a cash payment.</p>		
<b>Description of Awards</b>			
<b>1. Stock Options</b>			
<b>Stock Option Terms and Exercise Price</b>	The number of the Common Shares subject to each stock option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price shall in no event be lower than the Market Price of the Common Shares on the grant date.		
<b>Term</b>	Stock options shall be for a fixed term, not exceeding five years, and exercisable as determined by the Board, provided that if no specific determination as to the scheduled expiry date, then the stock option shall have a term not exceeding five years.		
<b>Vesting</b>	Unless otherwise specified, each stock option shall vest as to one third on each of the first through third anniversaries of the grant date.		
<b>Exercise of Option</b>	The participant may exercise stock options by payment of (i) the exercise price per share subject to each option; or (ii) at the sole discretion of the Company, by payment pursuant to a broker-assisted sale and remittance program authorized by the Board (i.e. cashless exercise);		
<b>Circumstances Involving Cessation of Entitlement to Participate</b>	<b>Reasons for Termination</b>	<b>Vesting</b>	<b>Expiry of Vested Options</b>
	Death	Unvested stock options automatically vest as of the date of death	Stock options expire on the earlier of the scheduled expiry date of the option and one year following the date of death
	Disability	Unvested stock options continue to vest in accordance with the terms of the option	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days following the date of disability

	Retirement	Unvested stock options continue to vest in accordance with the terms of the option	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days following the date of retirement
	Resignation	Unvested stock options as of the date of resignation automatically terminate and shall be forfeited	Stock options expire on the earlier of the scheduled expiry date of the option and ninety days following the date of resignation
	Termination without Cause / Constructive Dismissal (No Change in Control)	Unvested stock options continue to vest in accordance with the terms of the option provided that any unvested options that will not, in accordance with its terms, vest prior to the expiry date provided in the event of termination without cause/constructive dismissal shall automatically vest thirty days prior to such expiry date	Stock options expire on the earlier of scheduled expiry date of the option and ninety days following the termination date
	Change in Control	Stock options vest and become immediately exercisable upon a change in control and one of the two below circumstances occur: <ul style="list-style-type: none"> <li>● the successor fails to continue or assume the obligations under the plan or fails to provide for a substitute award, or</li> <li>● if the stock option is continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two years following the change in control.</li> </ul>	Stock options expire on earlier of the scheduled expiry date of the option and ninety days following the date of Change in Control
	Termination with Cause	Stock options, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited	Stock options, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited

**2. Performance Share Units**

<b>PSU Terms</b>	A PSU is a notional security but, unlike other equity-based incentives, vesting is contingent upon achieving certain performance criteria, thus ensuring greater alignment with the long-term interests of shareholders. The terms applicable to PSUs under the LTIP (including the performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a participant's PSU account) are determined by the Board at the time of the grant.
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<b>Credit to PSU Account</b>	As dividends are declared, additional PSUs may be credited to PSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.	
<b>Vesting</b>	PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle, which shall not be earlier than one year following the date of grant or issuance of the PSU.	
<b>Settlement</b>	At the grant date, the Board shall stipulate whether the PSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the performance share units in the holders' account.	
<b>3. Restricted Share Units</b>		
<b>RSU Terms</b>	An RSU is a notional security that entitles the recipient to receive cash or Common Shares at the end of a vesting period. The terms applicable to RSUs under the LTIP (including the vesting schedule and whether dividend equivalents will be credited to a participant's RSU account) are determined by the Board at the time of the grant.	
<b>Credit to RSU Account</b>	As dividends are declared, additional RSUs may be credited to RSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.	
<b>Vesting</b>	RSUs vest upon lapse of the applicable restricted period, which shall not be earlier than one year following the date of grant or issuance of the RSU.	
<b>Settlement</b>	At the grant date, the Board shall stipulate whether the RSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the restricted share units in the holders' account.	
<b>4. Deferred Share Units</b>		
<b>DSU Terms</b>	A DSU is a notional security that entitles the recipient to receive cash or Common Shares upon resignation from the Board (in the case of directors) or at the end of employment. The terms applicable to DSUs under the LTIP (including whether dividend equivalents will be credited to a participant's DSU account) are determined by the Board at the time of the grant. Typically, DSUs have been granted (i) as a component of a director's annual retainer, or (ii) as a component of an officer's annual incentive grant. The deferral feature strengthens alignment with the long-term interests of Shareholders.	
<b>Credit to DSU Account</b>	As dividends are declared, additional DSUs may be credited to DSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established therefore by (ii) the Market Price of one Common Share on such record date.	
<b>Vesting</b>	DSUs shall not vest earlier than one year following the date of grant or issuance.	
<b>Settlement</b>	DSUs may only be settled after the date on which the holder ceases to be a director, officer, or employee of the Company. At the grant date, the Board shall stipulate whether the DSUs are paid in cash, Common Shares, or a combination of both, in an amount equal to the Market Value of the notional Common Shares represented by the deferred share units in the holders' account.	
<b>5. PSUs, RSUs and DSUs</b>		
<b>Circumstances Involving Cessation of Entitlement to</b>	<b>Reasons for Termination</b>	<b>Treatment of Awards</b>

<b>Participate</b>		
	Death	Outstanding awards that were vested on or before the date of death shall be settled as of the date of death. Outstanding awards that were not vested on or before the date of death shall vest and be settled as of the date of death, pro rated to reflect (i) in the case of RSUs and DSUs, the actual period between the grant date and date of death, and (ii) in the case of PSUs, the actual period between the commencement of the performance cycle and the date of death, based on the participant's performance for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of death.
	Disability	In the case of RSUs and DSUs, outstanding awards as of date of disability shall vest and be settled in accordance with their terms. In the case of PSUs, outstanding PSUs as of date of disability shall vest and be settled in accordance with their terms based on the participant's performance for the applicable performance period(s) up to the date of the disability. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of disability.
	Retirement	Outstanding awards that were vested on or before the date of retirement shall be settled as of the date of retirement. Outstanding awards that would have vested on the next vesting date following the date of retirement shall be settled as of such vesting date. Subject to the foregoing, any remaining awards shall in all respects terminate as of the date of retirement.
	Resignation	Outstanding awards that were vested on or before the date of resignation shall be settled as of the date of resignation, after which time the awards shall in all respects terminate.
	Termination without Cause / Constructive Dismissal (No Change in Control)	Outstanding awards that were vested on or before the termination date shall be settled as of the termination date. Outstanding awards that would have vested on the next vesting date following the termination date (in the case of PSUs, pro rated to reflect the actual period between the commencement of the performance cycle and the termination date, based on the participant's performance for the applicable performance period(s) up to the termination date), shall be settled as of such vesting date. Subject to the foregoing, any remaining awards shall in all respects terminate as of the termination date.
	Change in Control	Awards vest and become immediately exercisable upon a change in control and one of the two below circumstances occur: <ul style="list-style-type: none"> <li>• the successor fails to continue or assume the obligations under the plan or fails to provide for a substitute award, or</li> <li>• if the award is continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two years following the change in control.</li> </ul>
	Termination with Cause	Outstanding awards (whether vested or unvested) shall automatically terminate on the termination date and be forfeited.

## STATEMENT OF EXECUTIVE COMPENSATION

The purpose of this section of this Circular is to disclose all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the most recently completed financial year, to each NEO (as defined below) in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6V**”) of the Canadian Securities Administrators. Unless otherwise stated, “dollars” or “\$” means Canadian dollars.

### Interpretation

For the purposes of this Information Circular, a Named Executive Officer (“**NEO**”) of the Company 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, for the fiscal year ended June 30, 2022; 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 Company, and was not acting in a similar capacity, at the fiscal year ended June 30, 2022.

### Named Executive Officers

During the most recently completed financial year ended June 30, 2022, the following individuals were Named Executive Officers of the Company:

- Luke Norman, CEO of the Company
- Jonathan Richards, CFO of the Company
- Jeremy Crozier, COO of the Company

### Executive Compensation Discussion and Analysis

The Company does not have a formal compensation program. The general objectives of the Company’s compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management’s interests with the long-term interests of shareholders; (c) provide a compensation package that is proportionate with other junior companies in the energy efficiency industry sector to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior company without a history of earnings.

The Board ensures that total compensation paid to all NEOs is fair and reasonable. The Board relies on the experience of its members as officers and directors of other junior mining companies in assessing compensation levels. The Company’s process for determining executive compensation will be done on a case by case basis and will involve discussion by the Board of the factors the Board deems relevant to each case. There are not expected to be any formally defined objectives, benchmarks, criteria and analysis that will be used in all cases.

The Company has not placed a restriction on the purchase by its NEOs or other employees of financial instruments (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or

held, directly or indirectly by the NEO or employee. To the Company’s knowledge, none of the NEOs have purchased any such financial instruments.

The Board has not considered the implications of the risks associated with the Company’s compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company’s compensation program and how it might mitigate those risks.

### **Compensation Governance**

The Board has not appointed a compensation committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company’s senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing director compensation, overseeing the Company base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees and evaluating the performance of officers generally, all in light of the Company’s annual goals and objectives.

### **Share Based and Option Based Awards**

The only stock option plan or other incentive plan the Company currently has in place is the Stock Option Plan, which authorizes the Board to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding Common Shares, from time to time. The underlying purpose of the Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Stock Option Plan. The Stock Option Plan was approved by the Shareholders at a meeting of the shareholders of the Company held on November 23, 2021. A summary of the terms of the Stock Option Plan is provided below under the heading “Stock Options and other Incentive Plans”.

At the Meeting, the Company will be seeking approving of a new 10% LTIP, the full text of which is set out in Schedule “A” herein. See “Particulars of Matters to be Acted Upon – Approval of LTIP” above.

### **Director and Named Executive Compensation**

The following table sets forth director and NEO compensation, excluding compensation securities, for the two most recently completed fiscal years ended June 30, 2022 and June 30, 2021. The Company does not have any pension plans, long-term non-equity incentive plans or deferred compensation plans.

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position<sup>(10)</sup></b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)<sup>(1)</sup></b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of prerequisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total Compensation (\$)</b>
Luke Norman, Director, Chairman and CEO <sup>(1)(3)</sup>	2022	\$330,000	Nil	Nil	Nil	Nil	\$330,000
	2021	\$220,000	Nil	Nil	Nil	Nil	\$220,000
Jonathan Richards, Director and CFO <sup>(1)(3)</sup>	2022	\$90,000	Nil	Nil	Nil	Nil	\$90,000
	2021	\$60,000	Nil	Nil	Nil	Nil	\$60,000
Jeremy Crozier, Former Director and	2022	\$180,000	Nil	Nil	Nil	Nil	\$180,000

COO <sup>(1)</sup>	2021	\$120,000	Nil	Nil	Nil	Nil	\$120,000
Russell Starr, Former Director <sup>(2)</sup>	2022	\$37,500	Nil	Nil	Nil	Nil	\$37,500
	2021	\$31,250	Nil	Nil	Nil	Nil	\$31,250
Krisztian Toth, Director	2022	\$37,500	Nil	Nil	Nil	\$1,426 <sup>(4)</sup>	\$38,926
	2021	Nil	Nil	Nil	Nil	\$19,426 <sup>(4)</sup>	\$19,476

**Notes:**

- (1) Salaries for the executives are proportionate with other companies in the junior mining sector.
- (2) Russell Starr resigned as director of the Company on February 2, 2022.
- (3) None of the executives who also act as a director to the Company have received any compensation for acting as a director.
- (4) Comprised of legal fees paid to Fasken Martineau DuMoulin LLP, a firm which Krisztian Toth is a partner of.

**Stock Options and Other Compensation Securities**

There were no compensation securities granted during the year ended June 30, 2022. The following table sets forth all compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries during the year ended June 30, 2021, for services provided or to be provided directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensati on security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(4)</sup>	Date of issue or grant <sup>(2)</sup>	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
Luke Norman, Chairman, Director and CEO	Options	2,500,000 (35.71%)	January 29, 2021	\$0.50	N/A	\$0.05	January 29, 2026
Jonathan Richards, Director and CFO	Options	550,000	January 29, 2021	\$0.50	N/A	\$0.05	January 29, 2026
Jeremy Crozier, Chief Operations Officer	Options	1,400,000 (20%)	January 29, 2021	\$0.50	N/A	\$0.05	January 29, 2026
Krisztian Toth, Director	Options	375,000 (0.54%)	January 29, 2021	\$0.50	N/A	\$0.05	January 29, 2026
Russell Starr, Former Director <sup>(3)</sup>	Options	1,000,000 (10%)	January 29, 2021	\$0.50	N/A	\$0.05	January 29, 2026

**Notes:**

- (1) The securities underlying the Options of the Company are Common Shares. The issuer of the Options is the Company.
- (2) As at June 30, 2021, the directors and officers set forth in the table above had no changes in their Option holdings since the date of grant.
- (3) Russell Starr resigned as a director on February 2, 2022.
- (4) All stock options granted vested 1/3 on grant, and the remainder vest 1/3 every six months thereafter.

### **Exercise of Stock Options**

No compensation securities were exercised by a Company director or NEO during the Company's most recently completed financial year ended June 30, 2022.

### **Stock Options and Other Incentive Plans**

See the heading "Particulars of Matters to be Acted Upon – Approval of LTIP" for a summary of the key provisions of the LTIP, which plan will be placed before the Meeting for shareholder approval and will replace and supersede the existing Stock Option Plan. The executive officers, along with the Company's directors, employees and consultants, will be eligible to participate in the LTIP.

The Company's Stock Option Plan was previously approved by shareholders at the annual and special shareholder meeting held on November 13, 2020. Currently, under the terms of the Stock Option Plan, the aggregate number of securities reserved for issuance is 10% of the number of Common Shares issued and outstanding at the time such options are granted. Options granted under the Stock Option Plan are to the directors, officers, employees, management or consultants of Company and its affiliates, if any, as the Board designates from time to time. The exercise price of option grants is set as the closing market price of the Common Shares on the Exchange on the trading day prior to the date of the grant. The Stock Option Plan provides that the number of Common Shares that may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares, if the individual is a director, officer, employee or consultant, or 1% of the issued Common Shares, if the individual is engaged in providing investor relations services, in a twelve month basis, unless disinterested shareholder approval is obtained. All Options granted under the Stock Option Plan expire not later than the date that is ten years from the date that such options were granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 30 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

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

The Company is party to several standard consulting agreements with the following executive officers: Luke Norman (CEO), Jonathan Richards (CFO), Jeremy Crozier (COO). Under the consulting agreements, the directors and executive officers are to be reimbursed for all reasonable business and travel expenses and other expenses reasonably incurred in the performance of their duties. In addition, the executive officers are eligible to participate in any benefit plans that may be established by the Company from time to time and the executive officers are eligible to participate in the stock option plan of the Company. The Company may terminate the consulting agreement at any time upon given 90 days notice in writing to the consultant.

The consulting agreements of the executive officers provide that if a change of control of the Company occurs (defined as (i) a take-over bid pursuant to which a majority of the outstanding shares of the Company are acquired, (ii) a change of control of the Board (defined as the election by the shareholders of less than a majority of persons nominated for election by management of the Company), (iii) a sale or other disposition of all or substantially all of the assets of the Company, (iv) a sale, exchange or disposition of a majority of the outstanding shares of the Company in a single or series of related transactions and (v) a merger, amalgamation or plan or arrangement or other corporate restructuring as a group receive less than a majority of the outstanding shares of the new or continuing corporation) they are entitled to a severance payment equal to twenty four months of consulting fees if the consulting agreement is terminated (whether by the Company or the consultant) within 30 days of the change of control and all unvested stock options and other unvested awards will immediately vest.

### **Incentive Plan Compensation**

The Company currently does not have any non-equity incentive plan compensation plans for payments or benefits to the NEOs.

## Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of June 30, 2022 with regard to compensation plans under which equity securities of the Company are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)<sup>(1)</sup></b>
Equity compensation plans approved by Shareholders	7,000,000	\$0.50	2,972,383
Equity compensation plans not approved by Shareholders	Nil	Nil	Nil
<b>Total</b>	<b>7,000,000</b>	<b>\$0.50</b>	<b>2,972,383</b>

Notes:

(1) Based on 7,000,000 Options and 99,723,831 Common Shares outstanding as at June 30, 2022.

## AUDIT COMMITTEE INFORMATION

### The Audit Committee's Charter

The directors of the Company have adopted a charter for the Audit Committee (the “**Charter**”), which sets out the Audit Committee’s mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached hereto as Schedule “B” to this Information Circular.

### Composition of the Audit Committee

The members of the Audit Committee are Luke Norman, Krisztian Toth and Jonathan Richards. Mr. Toth is independent (as defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”)), and all members are financially literate (as defined in NI 52-110). Due to the resignation of Russell Starr as a director, the Company previously relied on the exemption in section 6.1.1(6) of NI 51-110. Following the election of Jeffrey O’Neill as a director of the Company, the Audit Committee will be comprised of Messrs. Toth, Richards and O’Neill, and as a result thereof, a majority of the members of the Audit Committee will be independent.

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Luke Norman	No	Yes
Krisztian Toth	Yes	Yes
Jonathan Richards	No	Yes

Notes:

(1) To be considered independent, a member of the Audit Committee must not have any direct or indirect “material relationship” with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment.

(2) To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

### Relevant Education and Experience

Please see pages 11 to 12 of this Information Circular for the biographies of each member of the Audit Committee.

### **Audit Committee Oversight**

At no time during the last financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the external auditors of the Company not been adopted by the Board.

### **Pre-Approval Policies and Procedures**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

### **External Auditor Services Fees (By Category)**

The following table discloses the fees billed to the Company by its external auditor during the last two completed financial years:

<b>Financial Period Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Ending Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
June 30, 2022	\$20,000	Nil	\$9,750	Nil
June 30, 2021	Nil	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) No other fees were billed by the auditor of the Company other than those listed in the other columns.

### **Exemption**

Since the Company is a "Venture Issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the United States of America or a market outside of Canada and the United States of America), it is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

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

No director, nominee for election as a director, executive officer, employee or former director, executive officer or employee of the Company or any of its subsidiaries, or any of their associates or other member of management of the Company, was indebted to the Company at any time during financial year ended June 30, 2021 or as at the date hereof.

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

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company at any time since the beginning of the last financial year of the Company, or any proposed nominee for election as a director of the Company, or any known associate or affiliates of such persons in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors, and the interests of individuals who are eligible participants under the LTIP in the approval of the LTIP (as more particularly set out under "Particulars of Matters to be Acted Upon – Approval of LTIP").

### **MANAGEMENT CONTRACTS**

During the most recently completed financial year, no management functions of the Company were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.



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

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, other than as set out in this Information Circular, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction during the Company's financial year ended June 30, 2021 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries other than as set out in a document already disclosed to the public and as except as disclosed in this Information Circular.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company including the Company's audited consolidated financial statements for the completed financial years ending June 30, 2022 and 2021 can be found under the Company's profile at [www.sedar.com](http://www.sedar.com). Financial information is provided in the annual financial statements and the management and discussion & analysis ("MD&A") of the Company for its two most recently completed financial years and the report of the auditors thereon which will be placed before shareholders at the Meeting. Copies of the Company's audited financial statements and MD&A for the years ended June 30, 2022 and 2021 are available upon request from the Company at 2900-550 Burrard Street, Vancouver, British Columbia, Canada, V6C 0A3, Email: [info@leviathangold.com](mailto:info@leviathangold.com). Copies of these documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

## **OTHER MATTERS**

As of the date of this Information Circular, management of the Company is not aware of any other matters which may come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the Common Shares represented thereby in accordance with their best judgement on such matter.

The contents of this Information Circular and the distribution to Shareholders have been approved by the Board.

DATED at Toronto, Ontario, October 18<sup>th</sup>, 2022.

## **BY ORDER OF THE BOARD OF DIRECTORS**

*"Luke Norman"*

\_\_\_\_\_  
Luke Norman  
Chairman, Director and Chief Executive Officer

## SCHEDULE “A”

### LEVIATHAN GOLD LTD.

#### LONG-TERM INCENTIVE PLAN

#### 1. PURPOSE

The purpose of the Plan is to attract, retain and motivate persons of training, experience and leadership as directors, officers, employees and consultants of the Corporation (as such term is defined below) and its Subsidiaries and its Affiliates, to advance the long-term interests of the Corporation by providing such persons with the opportunity and incentive, through equity-based compensation, to acquire an ownership interest in the Corporation, and to promote a greater alignment of interests between such persons and shareholders of the Corporation.

#### 2. DEFINITIONS AND INTERPRETATION

##### 2.1 Definitions. For purposes of the Plan, the following words and terms shall have the following meanings:

“**affiliate**” means an “affiliated company” determined in accordance with the *Securities Act* (Ontario) and includes those entities that are similarly related, whether or not any of the entities are corporations, companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities, it also means, with respect to any Person, any other Person directly or indirectly controlling, controlled or under common control with such Persons;

“**associate**” means an “associate” determined in accordance with the *Securities Act* (Ontario);

“**Award**” means an Option, Performance Share Unit, Restricted Share Unit and/or Deferred Share Unit granted under the Plan (as applicable);

“**Award Agreement**” means an Option Award Agreement, a PSU Award Agreement, an RSU Award Agreement and/or a DSU Award Agreement (as applicable);

“**Blackout Period**” means an interval of time during which (a) trading in securities of the Corporation is restricted in accordance with the policies of the Corporation; or (b) the Corporation has otherwise determined that one or more Participants may not trade in securities of the Corporation because they may be in possession of undisclosed material information (as defined under applicable securities laws);

“**Board**” means the board of directors of the Corporation or, if established and duly authorized to act, a committee of the board of directors of the Corporation;

“**Business Day**” means any day, other than Saturday, Sunday or any statutory holiday in the Province of Ontario, Canada;

“**Canadian Taxpayer**” means a Participant (other than a consultant) liable to pay income taxes in Canada as a result of the receipt of an Award or the settlement thereof;

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

- (a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its subsidiaries and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the votes attached to all of the outstanding voting securities of the successor corporation or entity after completion of the transaction;
- (b) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;

- (c) any person, entity or group of persons or entities acting jointly or in concert (the “**Acquiror**”) acquires, or acquires control (including the power to vote or direct the voting) of, voting securities of the Corporation which, when added to the voting securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or direct the casting of 50% or more of the votes attached to all of the Corporation’s outstanding voting securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);
- (d) the sale, transfer or other disposition of all or substantially all of the assets of the Corporation;
- (e) as a result of or in connection with the contested election of directors where the nominees named in the most recent management information circular of the Corporation for election to the Board of Directors of the Corporation shall not constitute a majority of the directors;
- (f) the Board adopts a resolution to the effect that a transaction or series of transactions involving the Corporation or any of its affiliates that has occurred or is imminent is a Change in Control,

and for purposes of the foregoing, “**voting securities**” means the Shares and any other shares entitled to vote for the election of directors, and shall include any securities, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors but which are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities;

“**Common Share**” means the common shares in the capital of the Corporation as constituted on the effective date of this plan;

“**consultant**” means a person, other than a director, officer or employee of the Corporation or of any subsidiary of the Corporation, that:

- (a) is engaged to provide *bona fide* services to the Corporation or subsidiary, other than services provided in relation to a distribution of securities;
- (b) provides the services under a written contract with the Corporation or subsidiary; and
- (c) 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 any of its subsidiaries;

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner, and, for greater certainty, includes consultants who provide outsourced or contract labour to the Corporation or a subsidiary, and employees of such consultants;

“**Corporation**” means Leviathan Gold Ltd., a corporation existing under the laws of British Columbia;

“**Deferred Annual Amount**” has the meaning ascribed thereto in Section 8.1(b);

“**Deferred Share Unit**” means a deferred share unit granted in accordance with Section 8.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Deferred Share Unit;

“**Disability**” means a medical condition that would qualify a Participant for benefits under a long-term disability plan of the Corporation or a subsidiary of the Corporation;

**“Discounted Market Price”** has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 1.1 – *Interpretation*, as amended from time to time.

**“Dividend Equivalents”** means the right, if any, granted under Section 15, to receive payments in cash or in Shares, based on dividends declared on Shares;

**“DSU Account”** has the meaning ascribed thereto in Section 8.3;

**“DSU Award Agreement”** means a written confirmation agreement, substantially in the form of Schedule E – *DSU Award Agreement*, setting out the terms and conditions relating to a Deferred Share Unit and entered into in accordance with Section 8.2;

**“DSU Separation Date”** means, with respect to Deferred Share Units granted to a Participant, the date on which the Participant ceases to be a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law);

**“Effective Date”** means November 15, 2022;

**“Eligible Person”** means any director, officer, employee or consultant of the Corporation or any corporations that are wholly-owned by any of the foregoing, or consultant companies of the Corporation or any subsidiary of the Corporation who is eligible to receive Awards under the Plan;

**“Grant Date”** means the date on which an Award is made to an Eligible Person in accordance with the provisions hereof;

**“Insider”** means an **“insider”** determined in accordance with the policies of the TSXV, as such definition may be amended, supplement or replaced from time to time;

**“Investor Relations Service Provider”** has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time;

**“Management Company Employee”** has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time.

**“Market Price”** has the meaning ascribed to it pursuant to TSX Venture Exchange Policy 1.1 – *Interpretation*, as amended from time to time.

**“Option”** means an option to purchase Shares granted under Section 5.1;

**“Option Award Agreement”** means a written award agreement, substantially in the form of Schedule A – *Option Award Agreement* setting out the terms and conditions relating to an Option and entered into in accordance with Section 5.2;

**“Option Price”** has the meaning ascribed thereto in Section 5.2(a);

**“Participant”** means an Eligible Person selected by the Board to participate in the Plan in accordance with the Plan, or his or her Personal Representatives, as the context requires;

**“Performance Share Unit”** means a performance share unit granted in accordance with Section 6.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Performance Share Unit;

**“Person”** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

**“Personal Representative”** means:

- (a) in the case of a Participant who, for any reason, is incapable of managing its affairs, the Person entitled by law to act on behalf of such Participant; and
- (b) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so;

**“Plan”** means this Long-Term Incentive Plan of the Corporation, as amended or amended and restated from time to time;

**“PSU Account”** has the meaning ascribed thereto in Section 6.3;

**“PSU Award Agreement”** means a written confirmation agreement, substantially in the form of Schedule B – *PSU Award Agreement*, setting out the terms and conditions relating to a Performance Share Unit and entered into in accordance with Section 6.2;

**“PSU Vesting Date”** means, with respect to Performance Share Units granted to a Participant, the date determined in accordance with Section 6.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 6.2(b);

**“Restricted Share Unit”** means a restricted share unit granted in accordance with Section 7.1, the value of which on any particular date shall be equal to the Market Price of one Share, and that represents the right to receive cash and/or Shares equal to the Market Price of one Share on settlement of the Restricted Share Unit;

**“Retirement”** means:

- (a) in the case of a director or an employee of the Corporation or any subsidiary of the Corporation, retirement as determined in accordance with the retirement policy of the Corporation or subsidiary, as such policy may exist from time to time; and
- (b) in the case of a consultant, the completion of the term of the consultant’s Service Agreement in accordance with its terms (for greater certainty, without being renewed);

**“RSU Account”** has the meaning ascribed thereto in Section 7.3;

**“RSU Award Agreement”** means a written confirmation agreement, substantially in the form of Schedule C – *RSU Award Agreement*, setting out the terms and conditions relating to a Restricted Share Unit and entered into in accordance with Section 7.2;

**“RSU Vesting Date”** means, with respect to Restricted Share Units granted to a Participant, the date determined in accordance with Section 7.4, which date, for Canadian Taxpayers, shall not be later than the date referred to in Section 7.2(b);

**“Security-Based Compensation Arrangement”** means:

- (a) stock option plans for the benefit of employees, insiders, service providers, or any one of such groups;

- (b) individual stock options granted to employees, service providers, or insiders if not granted pursuant to a plan previously approved by the Corporation's security holders;
- (c) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased;
- (d) stock appreciation rights involving issuances of securities from treasury;
- (e) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Corporation;
- (f) security purchases from treasury by an employee, insider, or service provider which is financially assisted by the Corporation by any means whatsoever; and
- (g) for the avoidance of doubt, "Security-Based Compensation Arrangements" shall expressly include the Plan.

**"Service Agreement"** means any written agreement between a Participant and the Corporation or a subsidiary of the Corporation (as applicable), in connection with that Participant's employment, service or engagement as a director, officer, employee or consultant or the termination of such employment, service or engagement, as amended, replaced or restated from time to time;

**"Shares"** mean common shares of the Corporation;

**"subsidiary"** means a **"subsidiary"** determined in accordance with National Instrument 45-106 - *Prospectus and Registration Exemptions of the Canadian Securities Administrators*;

**"Substitute Award"** means any Award granted in assumption of or in substitution for an award of a company or business acquired by the Corporation or a subsidiary or with which the Corporation or an affiliate combines;

**"Termination Date"** means the date on which the Participant ceases to be actively employed by, ceases to actively perform services to, or ceases to be actively engaged by the Corporation and/or any subsidiary of the Corporation (and not, for greater certainty, the date that is the end of any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law)), without regard to whether the Participant continues thereafter to receive any compensatory payments or other amounts from the Corporation or any subsidiary of the Corporation;

**"TSXV"** means the TSX Venture Exchange;

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

**"U.S. Securities Act"** means the U.S. Securities Act of 1933, as amended;

**2.2 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.

**2.3 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.

**2.4 Statutes.** Any reference to a statute, regulation, rule, instrument, or policy statement shall refer to such statute, regulation, rule, instrument, or policy statement as the same may be amended, replaced, or re-enacted from time to time.

**2.5 Canadian Funds:** Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada. Any amounts paid on exercise or in settlement of an Award shall be paid in Canadian dollars.

**2.6 Schedules:** The following schedules are attached to, form part of, and shall be deemed to be incorporated in, the Plan:

Schedule	Title
A	Option Award Agreement (including Appendix 1 - Notice of Exercise of Option)
B	PSU Award Agreement (including Appendix 1 - Notice of Settlement of Performance Share Units)
C	RSU Award Agreement (including Appendix 1 - Notice of Settlement of Performance Share Units)
D	Deferred Share Unit Election Notice
E	DSU Award Agreement (including Appendix 1 - Notice of Settlement of Deferred Share Units)

### 3. ADMINISTRATION OF THE PLAN

**3.1** The Plan shall be administered by the Board.

**3.2** The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:

- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan and to amend or revoke such policies, rules and regulations;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Award awarded pursuant to the Plan, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
- (c) to determine the time or times when Awards will be awarded, subject to the requirements of applicable securities laws and regulatory requirements;
- (d) to recommend to the Board which Eligible Persons should be granted Awards, subject to the approval of the Board;
- (e) to recommend to the Board the number of Awards to be awarded to be awarded to Eligible Persons, subject to the approval of the Board;
- (f) to determine the term of Awards and the vesting criteria applicable to Awards (including performance vesting, if applicable);
- (g) to determine if Shares which are subject to an Award will be subject to any restrictions upon the exercise or vesting of such Award;

- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Awards including the form of Option Award Agreements, RSU Award Agreements, DSU Award Agreements and all ancillary documents and instruments related to the Plan and Awards; and
- (i) subject to Section 14, to make all other determinations under, and such interpretations of, and to take all such other steps and actions in connection with the proper administration of the Plan as it, in its sole discretion, may deem necessary or advisable.
- (j) to require that any participant to the Plan provide certain representations, warranties, and certifications to the Corporation to satisfy the requirements of applicable securities laws, including, without limitation, exemptions or exclusions from the registration requirements of the U.S. Securities Act and applicable state securities laws;

The Board's guidelines, rules, regulation, interpretations and determinations shall be conclusive and binding upon the Corporation and all other Persons.

**3.3 Delegation.** The Board may delegate to any director, officer or employee of the Corporation, including but not limited to a committee of the Board, such of the Board's duties and powers relating to the Plan as the Board may see fit, subject to applicable law.

**3.4 Use of Administrative Agent.** The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent to administer Awards granted under the Plan and to act as trustee to hold and administer the Plan and the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion.

**3.5 Limitation of Liability and Indemnification.** No member of the Board or a committee of the Board will be liable for any action or determination taken or made in good faith with respect to the Plan or any Awards granted thereunder and each such member shall be entitled to indemnification by the Corporation with respect to any such action or determination in the manner provided for by the Board or a committee of the Board.

#### **4. SHARES SUBJECT TO THE PLAN AND PARTICIPATION LIMITS**

**4.1 Shares Subject to Awards.** Subject to adjustment under the provisions of Section 10, the aggregate number of Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all Options granted under this Plan, shall not exceed 10% of the issued and outstanding Shares at the time of the granting of the Award (on a non-diluted basis). The Option component of the Plan is an "evergreen" plan. Accordingly, if the Corporation issues additional Shares in the future the number of Shares issuable under the Plan for Options will be increased accordingly.

Subject to adjustment under the provisions of Section 10, the aggregate number of Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all Awards other than Options granted under this Plan, shall not exceed 5% of the issued and outstanding Shares at the time of shareholder approval of the Plan. The non-Option component of the Plan is a "fixed" plan.

**4.2 Shares Available for Future Grants.** Any Shares subject to an Award which for any reason expires without having been exercised or is forfeited or terminated shall again be available for future Awards under the Plan and any Shares subject to an Award that is settled in cash and not Shares shall again be available for future Awards under the Plan. The full number of Shares with respect to which an Option is granted shall count against the aggregate number of Shares available for grant under the Option component of the Plan. Accordingly, if in accordance with the terms of the Plan, a Participant pays the Option Price by either tendering previously owned Shares or having the Corporation withhold Shares, then such Shares surrendered to pay the Option Price shall continue to count against the aggregate number of Shares available for grant under the Option component of the Plan. In addition, if in accordance with the terms of the Plan, a Participant satisfies any tax withholding requirement with respect to any taxable event arising as



a result of this Plan by either tendering previously owned Shares or having the Corporation withhold shares, then such Shares surrendered to satisfy such tax withholding requirements shall continue to count against the aggregate number of Shares available for grant under the Plan.

**4.3 Participation Limits.** The Plan, when combined with all of the Corporation's other previously established Security Based Compensation Arrangements, shall not result at any time in:

- (a) a number of Shares issued to Insiders (as a group) within a one-year period exceeding 10% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to any Insider, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;
- (b) a number of Shares issuable to Insiders (as a group) at any time exceeding 10% of the issued and outstanding Shares, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;
- (c) a number of Shares issued to any one Participant within a one-year period exceeding 5% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the Participant, unless disinterested shareholder approval is obtained pursuant to the rules of the TSXV;
- (d) a number of Shares issued to any one consultant within a one-year period exceeding 2% of the issued and outstanding Shares, calculated as at the date any Award is granted or issued to the consultant;
- (e) the issuance of Awards, other than Options, to an Investor Relations Service Provider; and
- (f) a number of Shares issued to Investor Relations Service Providers (as a group) within a one-year period exceeding 2% of the issued and outstanding Shares, calculated as at the date any Option is granted or issued to the Investor Relations Service Provider.

**4.4 Fractional Shares.** No fractional Shares shall be issued upon the exercise of Options or the settlement of Performance Share Units, Restricted Share Units or Deferred Share Units in Shares, and the Board may determine the manner in which fractional share value shall be treated.

## **5. OPTIONS**

**5.1 Grant.** Options may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution. The Grant Date of an Option for purposes of the Plan will be the date on which the Option is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**5.2 Terms and Conditions of Options.** Options shall be evidenced by an Option Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Shares to which the Options to be awarded to the Participant pertain;
- (b) the exercise price per Share subject to each Option (the "**Option Price**"), which shall in no event be lower than the Market Price on the Grant Date;
- (c) the Option's scheduled expiry date, which shall not exceed five (5) years from the Grant Date (provided that if no specific determination as to the scheduled expiry date is made by the Board, the scheduled expiry date shall be five years from the Grant Date); and

- (d) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each Option Award Agreement may contain terms and conditions in addition to those set forth in the Plan.

**5.3 Vesting.** Subject to Section 13 and the applicable rules of any stock exchange on which the Shares are listed for trading, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or Option Award Agreement, each Option shall vest as to one-third of the number of Shares granted by such Option on each of the first three anniversaries of the Grant Date of such Option.

**5.4 Exercise of Option.** Options may be exercised only to the extent vested. Options may be exercised by the Participant by delivering to the Corporation a notice of exercise, substantially in the form attached as Appendix 1 - *Notice of Exercise of Option* attached to the Option Award Agreement (or such other form as the Board may determine), specifying the number of Shares with respect to which the Option is being exercised. Payment of the Option Price may be made by one or more of the following methods (or any combination thereof) to the extent provided in the Option Award Agreement:

- (a) in cash, by certified cheque made payable to the Corporation, by wire transfer of immediately available funds, or other form of payment acceptable to the Board;
- (b) at the sole discretion of the Corporation, by payment pursuant to a broker-assisted sale and remittance program authorized by the Board (i.e. a “**cashless exercise**”) to which the Corporation has an arrangement with a brokerage firm that will loan money to a Participant to purchase Shares underlying the Option. The brokerage firm then sells a sufficient number of underlying Shares to cover the exercise price, plus any applicable withholding tax, of the Option in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Participant then receives the balance of Shares or the cash proceeds from the balance of the Shares; or

No certificates for Shares so purchased will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance and sale of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the exercise of the Option. The delivery of certificates representing the Shares to be purchased pursuant to the exercise of an Option will be contingent upon receipt from the Participant by the Corporation of the full purchase price for such Shares, full payment of any applicable withholding tax and the fulfillment of any other requirements contained in the Option Award Agreement or applicable provisions of laws.

**5.5 Compliance with Securities Laws.** As a condition to an Eligible Person’s right to purchase shares pursuant to the due exercise of an Option, the Corporation may, in its discretion, require that such other steps, if any, as counsel for the Corporation shall consider necessary to comply with any law applicable to the issue of such Shares by the Corporation, be taken by the Corporation, the Eligible Person, or both.

**5.6 Termination of Option Due to Termination of Employment, Service or Engagement.** Subject to the applicable rules of any stock exchange on which the Shares are listed for trading, unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or Option Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, subject to Section 13, Options shall be treated in the manner set forth below:

Reason for Termination	Vesting	Expiry of Option
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Reason for Termination	Vesting	Expiry of Option
Death	Unvested Options automatically vest as of the date of death	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death
Disability	Unvested Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of disability. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of disability.
Retirement	Unvested Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of retirement. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of retirement.
Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of resignation. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of resignation.
Termination without Cause/Constructive Dismissal - No Change in Control Involved	Unvested Options continue to vest in accordance with the terms of the Option, provided that any unvested Options that will not, in accordance with the term of the Option, vest prior to the expiry date provided in this Section 5.6 shall automatically vest thirty days prior to such expiry date	Options expire on the earlier of scheduled expiry date of the Option and 90 days following the Termination Date. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the Option and 30 days following the Termination Date.
Change in Control	Options shall vest in accordance with Section 13	Options expire on the earlier of the scheduled expiry date of the Option and 90 days following the date of Change in Control. Options granted to Investor Relations Service Providers expire on the earlier of the scheduled expiry date of the

Reason for Termination	Vesting	Expiry of Option
		Option and 30 days following the date of Change in Control.
Termination with Cause	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited	Options, whether vested or unvested as of the Termination Date, automatically terminate and shall be forfeited

## 6. PERFORMANCE SHARE UNITS

**6.1 Grant.** Performance Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Performance Share Unit for purposes of the Plan will be the date on which the Performance Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**6.2 Terms and Conditions of Performance Share Units.** Performance Share Units shall be evidenced by a PSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Performance Share Units to be awarded to the Participant;
- (b) the performance cycle applicable to each Performance Share Unit, which shall be the period of time between the Grant Date and the date on which the performance criteria specified in Section 6.2(c) must be satisfied before the Performance Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination; however, the performance cycle for Canadian Taxpayers shall in no case end later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs;
- (c) the performance criteria, which may include criteria based on the Participant's personal performance and/or the performance of the Corporation and/or its subsidiaries, that shall be used to determine the vesting of the Performance Share Units;
- (d) whether and to what extent Dividend Equivalents will be credited to a Participant's PSU Account in accordance with Section 15; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each PSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**6.3 PSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Performance Share Units granted to such Participant (a "PSU Account") in accordance with Section 16.3. Performance Share Units awarded to the Participant from time to time pursuant to Section 6.1 shall be credited to the Participant's PSU Account and shall vest in accordance with Section 6.4. On the vesting of the Performance Share Units pursuant to Section 6.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 6.5, or on the forfeiture or termination of the Performance Share Units pursuant to the terms of the Award, the Performance Share Units credited to the Participant's PSU Account will be cancelled.

**6.4 Vesting.** Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or PSU Award Agreement, each Performance Share Unit shall vest and shall be settled as at the date that is the end of the performance cycle (which shall be the “**PSU Vesting Date**”), which shall not be earlier than one year following the date of grant or issuance of the Performance Share Unit, subject to any performance criteria having been satisfied.

**6.5 Settlement.**

- (a) The Performance Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - *Notice of Settlement of Performance Share Units* attached to the PSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Performance Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the PSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the PSU Vesting Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Performance Share Units. The delivery of certificates representing the Shares to be issued in settlement of Performance Share Units will be contingent upon the fulfillment of any requirements contained in the PSU Award Agreement or applicable provisions of laws.
- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than the period of time specified in Section 6.2(b).

**6.6 Termination of Performance Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or PSU Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, Performance Share Units shall be treated in the manner set forth below subject to TSXV requirements that Performance Share Units must expire within a period not exceeding 12 months following the ceasing of the Participant’s eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Performance Share Units
Death	Outstanding Performance Share Units that were vested on or before the date of death shall be settled in accordance with Section 6.5 as of the date of death. Outstanding Performance Share Units that were not vested on or before the date of death shall vest and be settled in accordance with Section 6.5 as of the date of death, prorated to reflect the actual period between the commencement of the performance cycle and the date of death, based on the Participant’s performance for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the date of death.
Retirement	Outstanding Performance Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 6.5 as of the date of Retirement. Outstanding Performance Share Units that would have vested on the next PSU Vesting Date following the date of Retirement shall be settled in accordance with Section 6.5 as of such PSU Vesting Date. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate

Reason for Termination	Treatment of Performance Share Units
	as of the date of Retirement.
Disability	Outstanding Performance Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 6.5 in accordance to their terms, based on the Participant's performance for the applicable performance period(s) up to the date of Disability. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the date of Disability.
Resignation	Outstanding Performance Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 6.5 as of the date of resignation, after which time the Performance Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Performance Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 6.5 as of the Termination Date. Outstanding Performance Share Units that would have vested on the next PSU Vesting Date following the Termination Date, prorated to reflect the actual period between the commencement of the performance cycle and the Termination Date, based on the Participant's performance for the applicable performance period(s) up to the Termination Date, shall be settled in accordance with Section 6.5 as of such PSU Vesting Date. Subject to the foregoing, any remaining Performance Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Performance Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Performance Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

## 7. RESTRICTED SHARE UNITS

**7.1 Grant.** Restricted Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Restricted Share Unit for purposes of the Plan will be the date on which the Restricted Share Unit is awarded by the Board, or such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

**7.2 Terms and Conditions of Restricted Share Units.** Restricted Share Units shall be evidenced by an RSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Restricted Share Units to be awarded to the Participant;
- (b) the period of time between the Grant Date and the date on which the Restricted Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, which period of time, for Canadian Taxpayers, shall in no case be later than December 31 of the calendar year which is three years after the calendar year in which the Grant Date occurs and taking into account the year referred to in Section 7.2(d);

- (c) whether and to what extent Dividend Equivalents will be credited to a Participant's RSU Account in accordance with Section 15;
- (d) in the case of a Canadian Taxpayer, in respect of each Restricted Share Unit that may be awarded under the RSU Award Agreement, the year in which the services to which the Restricted Share Unit relates were rendered; and
- (e) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters.

For greater certainty, each RSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**7.3 RSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Restricted Share Units granted to such Participant (an "**RSU Account**") in accordance with Section 16.3. Restricted Share Units awarded to the Participant from time to time pursuant to Sections 7.1 shall be credited to the Participant's RSU Account and shall vest in accordance with Section 7.4. On the vesting of the Restricted Share Units pursuant to Section 7.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 7.5, or on the forfeiture or termination of the Restricted Share Units pursuant to the terms of the Award, the Restricted Share Units credited to the Participant's RSU Account will be cancelled.

**7.4 Vesting.** Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant's Service Agreement or RSU Award Agreement, each Restricted Share Unit shall vest and shall be settled when all applicable restrictions shall have lapsed (which shall be the "**RSU Vesting Date**"), which shall not be earlier than one year following the date of grant or issuance of the Restricted Share Unit.

**7.5 Settlement.**

- (a) The Restricted Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - *Notice of Settlement of Restricted Share Units* attached to the RSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each vested Restricted Share Unit being settled, deliver to the Participant a cash payment equal to the Market Price of one Share as of the RSU Vesting Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the RSU Vesting Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Restricted Share Units. The delivery of certificates representing the Shares to be issued in settlement of Restricted Share Units will be contingent upon the fulfillment of any requirements contained in the RSU Award Agreement or applicable provisions of laws.
- (b) For greater certainty, for Canadian Taxpayers, in no event shall such settlement be later than the period of time specified in Section 7.2(b).

**7.6 Termination of Restricted Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or RSU Award Agreement, if a Participant's employment, service or engagement terminates in any of the following circumstances, Restricted Share Units shall be treated in the manner set forth below subject to TSXV requirements that Restricted Share Units must expire within a period not exceeding 12

months following the ceasing of the Participant's eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Restricted Share Units
Death	Outstanding Restricted Share Units that were vested on or before the date of death shall be settled in accordance with Section 7.5 as of the date of death. Outstanding Restricted Share Units that were not vested on or before the date of death shall vest and be settled in accordance with Section 7.5 as of the date of death, prorated to reflect the actual period between the Grant Date and the date of death. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the date of death.
Retirement	Outstanding Restricted Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 7.5 as of the date of Retirement. Outstanding Restricted Share Units that would have vested on the next RSU Vesting Date following the date of Retirement shall be settled in accordance with Section 7.5 as of such RSU Vesting date. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the date of Retirement.
Disability	Outstanding Restricted Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 7.5 in accordance their terms, after which time the Restricted Share Units shall in all respects terminate.
Resignation	Outstanding Restricted Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 7.5 as of the date of resignation, after which time the Restricted Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Restricted Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 7.5 as of the Termination Date. Outstanding Restricted Share Units that would have vested on the next RSU Vesting Date following the Termination Date shall be settled in accordance with Section 7.5 as of such RSU Vesting Date. Subject to the foregoing, any remaining Restricted Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Restricted Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Restricted Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

## 8. DEFERRED SHARE UNITS

### 8.1 Grant.

- (a) **Discretionary Deferred Share Units.** Deferred Share Units may be granted to Eligible Persons at such time or times as shall be determined by the Board by resolution, pursuant to recommendations of the Board from time to time. The Grant Date of a Deferred Share Unit for purposes of the Plan will be the date on which the Deferred Share Unit is awarded by the Board, or



such later date determined by the Board, subject to applicable securities laws and regulatory requirements.

- (b) **Mandatory or Elective Deferred Share Units.** In addition to the foregoing, on fixed dates established by the Board and subject to such terms and conditions and other procedures as the Board shall determine, pursuant to recommendations of the Board, the Board may require a Participant to defer, or may permit a Participant to elect to defer, receipt of all or a portion of the following amounts payable by the Corporation or any subsidiary of the Corporation:
- (i) Director's Retainer - in the case of a member of the Board who is not also an officer or employee of the Corporation, an amount equal to all or a portion of his or her annual directors' retainer payable on account of his or her services as a member of the Board (which amount shall not include committee chairperson retainers, committee members retainers, Board or committee meeting fees, or special remuneration for ad hoc services rendered to the Board); or
  - (ii) Officers' and Employees' Annual Incentive - in the case of an officer or employee of the Corporation or any subsidiary of the Corporation (as applicable), an amount equal to all or a portion of his or her annual incentive bonus for a calendar year,

(the "Deferred Annual Amount"), and receive in lieu thereof an Award of Deferred Share Units equal to the greatest whole number which may be obtained by dividing (i) the amount of the Deferred Annual Amount, by (ii) the Market Price of one Share on the date of payment of such Deferred Annual Amount. For elective Deferred Share Units, the form of election shall be substantially in the form of the form of Schedule D - DSU Election Notice.

**8.2 Terms and Conditions of Deferred Share Units.** Deferred Share Units shall be evidenced by a DSU Award Agreement, which shall specify such terms and conditions, not inconsistent with the Plan, as the Board shall determine, including:

- (a) the number of Deferred Share Units to be awarded to the Participant;
- (b) for Deferred Share Units awarded under Section 8.1(a):
  - (i) the period of time between the Grant Date and the date on which the Deferred Share Unit is fully vested and may be settled by the Participant, before being subject to forfeiture or termination, subject to Section 8.5(b) for Canadian Taxpayers;
  - (ii) any performance criteria, which may include criteria based on the Participant's personal performance and/or the financial performance of the Corporation and/or its subsidiaries, that may be used to determine the vesting of the Deferred Share Units (if applicable); and
  - (iii) such other terms and conditions, not inconsistent with the Plan, as the Board shall determine, including customary representations, warranties and covenants with respect to securities law matters;
- (c) in the case of Deferred Share Units awarded to a Canadian Taxpayer, such terms and conditions as may be necessary to meet the requirements of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada).

For greater certainty, each DSU Award Agreement may contain terms and conditions in addition to those set forth in the Plan. No Shares will be issued on the Grant Date and the Corporation shall not be required to set aside a fund for the payment of any such Awards.

**8.3 DSU Accounts.** A separate notional account shall be maintained for each Participant with respect to Deferred Share Units granted to such Participant (a “**DSU Account**”) in accordance with Section 16.3. Deferred Share Units awarded to the Participant from time to time pursuant to Section 8.1 shall be credited to the Participant’s DSU Account and shall vest in accordance with Section 8.4. On the vesting of the Deferred Share Units pursuant to Section 8.4 and the corresponding issuance of cash and/or Shares to the Participant pursuant to Section 8.5, or on the forfeiture and termination of the Deferred Share Units pursuant to the terms of the Award, the Deferred Share Units credited to the Participant’s DSU Account will be cancelled.

**8.4 Vesting.** Subject to Section 13, unless otherwise determined by the Board in accordance with the provisions hereof, or unless otherwise specified in the Participant’s Service Agreement or DSU Award Agreement:

- (a) each Deferred Share Unit awarded under Section 8.1(a) shall vest in accordance with the DSU Award Agreement, which shall not be earlier than one year following the date of grant or issuance of the Deferred Share Unit; and
- (b) each Deferred Share Unit awarded under Section 8.1(b) shall immediately vest at the time it is credited to the Participant’s DSU Account, which shall not be earlier than one year following the date of grant or issuance of the Deferred Share Unit.

**8.5 Settlement.**

- (a) The Deferred Share Units may be settled by delivery by the Participant to the Corporation of a notice of settlement, substantially in the form attached as Appendix 1 - Notice of Settlement of Deferred Share Units attached to the DSU Award Agreement, acknowledged by the Corporation. On settlement, the Corporation shall, for each such vested Deferred Share Unit, deliver to the Participant a cash payment equal to the Market Price of one Share as of the DSU Separation Date, one Share, or any combination of cash and Shares equal to the Market Price of one Share as of the DSU Separation Date, in the sole discretion of the Board. No certificates for Shares issued in settlement will be issued to the Participant until the Participant and the Corporation have each completed all steps required by law to be taken in connection with the issuance of the Shares, including receipt from the Participant of payment or provision for all withholding taxes due as a result of the settlement of the Deferred Share Units. The delivery of certificates representing the Shares to be issued in settlement of Deferred Share Units will be contingent upon the fulfillment of any requirements contained in the DSU Award Agreement or applicable provisions of laws.
- (b) Notwithstanding the foregoing, all settlements of Deferred Share Units granted to a Participant who is a Canadian Taxpayer shall take place (i) after the DSU Separation Date; and (ii) by December 31 of the first calendar year that commences after such time.

**8.6 Termination of Deferred Share Unit Due to Termination of Employment, Service or Engagement.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant’s Service Agreement or DSU Award Agreement, if a Participant’s employment, service or engagement terminates in any of the following circumstances, Deferred Share Units shall be treated in the manner set forth below subject to TSXV requirements that Deferred Share Units must expire within a period not exceeding 12 months following the ceasing of the Participant’s eligibility under the Plan and in the event of the death of the Participant subject to the requirements specified in Section 9:

Reason for Termination	Treatment of Deferred Share Units
Death	Outstanding Deferred Share Units that were vested on or before the date of death shall be settled in accordance with Section 8.5 as of the date of death. Outstanding Deferred Share Units that were not vested on or before the date of

Reason for Termination	Treatment of Deferred Share Units
	death shall vest and be settled in accordance with Section 8.5 as of the date of death, prorated to reflect the actual period between the Grant Date and the date of death. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of death.
Retirement	Outstanding Deferred Share Units that were vested on or before the date of Retirement shall be settled in accordance with Section 8.5 as of the date of Retirement. Outstanding Deferred Share Units that would have vested on the next vesting date following the date of Retirement shall be settled in accordance with Section 8.5 as of such vesting date. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of Retirement.
Disability	Outstanding Deferred Share Units as of the date of Disability shall continue to vest and be settled in accordance with Section 8.5 in accordance their terms. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the date of Disability.
Resignation	Outstanding Deferred Share Units that were vested on or before the date of resignation shall be settled in accordance with Section 8.5 as of the date of resignation, after which time the Deferred Share Units shall in all respects terminate.
Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding Deferred Share Units that were vested on or before the Termination Date shall be settled in accordance with Section 8.5 as of the Termination Date. Outstanding Deferred Share Units that would have vested on the next vesting date following the Termination Date shall be settled in accordance with Section 8.5 as of such vesting date. Subject to the foregoing, any remaining Deferred Share Units shall in all respects terminate as of the Termination Date.
Change in Control	Deferred Share Units vest in accordance with Section 13.
Termination of the Participant for Just Cause	Outstanding Deferred Share Units (whether vested or unvested) shall automatically terminate on the Termination Date and be forfeited.

## 9. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF AWARDS

An Award granted pursuant to this Plan is personal to the Participant and may not be assigned, transferred, charged, pledged or otherwise alienated, other than to a Participant's Personal Representatives. In the event of the death of the Participant, the period in which the deceased's Personal Representatives may make claims for the Award shall not exceed one year from the Participant's death.

## 10. ADJUSTMENTS

**10.1** The number and kind of Shares to which an Award pertains and, with respect to Options, the Option Price, shall be adjusted in the event of a reorganization, recapitalization, stock split or redivision, reduction, combination or consolidation, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation, in such manner, if any, and at such time, as the Board, subject to prior acceptance of the TSXV, as applicable, may determine to be equitable in the circumstances. Failure of the Board to provide for an adjustment shall be conclusive

evidence that the Board has determined that it is equitable to make no adjustment in the circumstances. If an adjustment results in a fractional share, the fraction shall be disregarded.

- 10.2** If at any time the Corporation grants to its shareholders the right to subscribe for and purchase pro rata additional securities of any other corporation or entity, there shall be no adjustments made to the Shares or other securities subject to an Award in consequence thereof and the Awards shall remain unaffected.
- 10.3** The adjustments provided for in this Section 10 shall be cumulative.
- 10.4** On the happening of each and every of the foregoing events, the applicable provisions of the Plan shall be deemed to be amended accordingly and the Board shall take all necessary action so as to make all necessary adjustments in the number and kind of securities subject to any outstanding Award (and the Plan) and, with respect to Options, the Option Price.

## **11. UNITED STATES SECURITIES LAW MATTERS**

- 11.1 United States Securities Law Matters.** No Awards shall be made in the United States and no Common Shares shall be issued upon exercise, conversion or settlement of any such Awards in the United States unless such securities are registered under the U.S. Securities Act and any applicable U.S. state securities laws, or an exemption from such registration is available. Any Awards issued, and any Common Shares issued upon exercise, conversion or settlement thereof, will be “restricted securities” (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act). Any certificate or instrument representing such securities shall bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

“THE SECURITIES REPRESENTED HEREBY [AND THE SECURITIES ISSUABLE UPON EXERCISE / CONVERSION / SETTLEMENT HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE CORPORATION AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES.”

The Board may require that a participant of this Plan provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable securities laws, including without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

## **12. PRIORITY OF AGREEMENTS**

- 12.1 Priority of Agreements.** In the event of any inconsistency or conflict between the provisions of a Participant’s Award Agreement and the Plan, the provisions of the Plan shall prevail with respect to such

Participant. In the event of any inconsistency or conflict between the provisions of (i) the Plan and/or a Participant's Award Agreement, and (ii) a Participant's Service Agreement, the provisions of the Participant's Service Agreement shall prevail with respect to such Participant unless the terms of the Participant's Service Agreement would (i) cause the Plan to be a "**salary deferral arrangement**" as defined in the *Income Tax Act* (Canada) in respect of a Participant that is a Canadian Taxpayer, in which case the terms of the Plan shall prevail. Notwithstanding the foregoing or anything contained herein to the contrary: (i) the applicable rules of any stock exchange on which the Shares are listed for trading shall prevail over the provisions of the Plan, any Participant's Award Agreement, or any Participant's Service Agreement in the event of a conflict; and (ii) no provision of a Participant's Service Agreement shall be relied upon if such reliance would result in a change to the terms of the Plan that would otherwise require shareholder approval.

**12.2 Vesting and Termination Provisions in Service Agreements.** In the event that a Participant's Service Agreement contains provisions respecting the vesting of the dates upon which any or all outstanding Awards shall be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms, or provisions respecting the expiry, forfeiture and termination of such Awards, the vesting or expiry, forfeiture and termination of such Awards, as applicable, shall be governed by the terms and conditions of the Participant's Service Agreement with respect to such Participant.

### **13. CHANGE IN CONTROL - TREATMENT OF AWARDS**

**13.1 Change in Control - Awards Granted On and After Effective Date.** Unless otherwise determined by the Board, or unless otherwise provided in the Participant's Service Agreement or Award Agreement, if a Change in Control shall conclusively be deemed to have occurred and at least one of the two additional circumstances described below occurs, then there shall be immediate full vesting of each outstanding Award granted on and after the Effective Date, which may be exercised and settled, in whole or in part, even if such Award is not otherwise exercisable or vested by its terms:

- (a) upon a Change in Control, the surviving corporation (or any affiliate thereof) or the potential successor (or any affiliate thereto) fails to continue or assume the obligations with respect to each Award or fails to provide for the conversion or replacement of each Award with an equivalent award that satisfies the criteria set forth in Section 13.1(b)(i)(A) or 13.1(b)(i)(B); or
- (b) in the event that the Awards were continued, assumed, converted or replaced as contemplated in 13.1(b)(i), during the two-year period following the effective date of a Change in Control, the Participant is terminated by the Corporation without cause or the Participant resigns for good reason,

and for purposes of Section 13.1:

- (i) the obligations with respect to each Participant shall be considered to have been continued or assumed by the surviving corporation (or any affiliate thereto) or the potential successor (or any affiliate thereto), if each of the following conditions are met, which determination shall be made solely in the discretionary judgment of the Board, which determination may be made in advance of the effective date of a particular Change in Control and shall be final and binding:
  - (A) the Shares remain publicly held and widely traded on an established stock exchange; and
  - (B) the terms of the Plan and each Award are not materially altered or impaired without the consent of the Participant;
- (ii) the obligations with respect to each Award shall be considered to have been converted or replaced with an equivalent award by the surviving corporation (or any affiliate thereto)

or the potential successor (or any affiliate thereto), if each of the following conditions are met, which determination shall be made solely in the discretionary judgment of the Board, which determination may be made in advance of the effective date of a particular Change in Control and shall be final and binding;

- (A) each Award is converted or replaced with a replacement award in a manner that qualifies under Subsection 7(1.4) of the *Income Tax Act* (Canada) in the case of a Participant that is a Canadian Taxpayer in respect to an Award that is subject to section 7 of the *Income Tax Act* (Canada), on all or any portion of the benefit arising in connection with the grant, exercise and/or other disposition of such award;
- (B) the converted or replaced award preserves the existing value of each underlying Award being replaced, contains provisions for scheduled vesting and treatment on termination of employment (including with respect to termination for cause or constructive dismissal) that are no less favourable to the Participant than the underlying Award being replaced, and all other terms of the converted award or replacement award (but other than the security and number of shares represented by the continued award or replacement award) are substantially similar to the underlying Award being converted or replaced; and
- (C) the security represented by the converted or replaced Award is of a class that is publicly held and widely traded on an established stock exchange.

**13.2 Change in Control.** Notwithstanding Section 13.1, in the event of a Change in Control, the Board shall have the right, but not the obligation, and without the consent of any Participant, to permit each Participant, within a specified period of time prior to the completion of the Change in Control as determined by the Board, to exercise all of the Participant's outstanding Options and to settle all of the Participant's outstanding Performance Share Units, Restricted Share Units and Deferred Share Units (to the extent then vested and exercisable, including by reason of acceleration by the Board pursuant to Section 13.3 or in accordance with the Award Agreement) but subject to and conditional upon the completion of the Change in Control.

**13.3 Discretion to Accelerate Awards.** Notwithstanding Section 13.1, in the event of a Change in Control whereby the holder ceases to be an eligible Participant, the Board may accelerate the dates upon which any or all outstanding Awards shall vest and be exercisable or settled, without regard to whether such Awards have otherwise vested in accordance with their terms. Notwithstanding the foregoing, the acceleration of vesting for Options granted to Investor Relations Service Providers, must conform to the prescribed vesting requirements under TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time.

**13.4 Termination of Awards on Change in Control.** Subject to and conditional upon completion of the Change in Control event, the Plan and all outstanding Awards, vested and unvested, shall be deemed to be terminated, without further act or formality, except to the extent required under Sections 13.1 and 17.2, if applicable.

**13.5 Further Assurances on Change in Control.** The Participant shall execute such documents and instruments and take such other actions, including exercise or settlement of Awards vesting pursuant to Section 13.2 or the Award Agreement, as may be required consistent with the foregoing; provided, however, that the exercise or settlement of Awards vesting pursuant to Section 13.2 or the Award Agreement shall be subject to the completion of the Change in Control event.

**13.6 Awards Need Not be Treated Identically.** In taking any of the actions contemplated by this Section 13, the Board shall not be obligated to treat all Awards held by any Participant, or all Awards in general, identically.

**13.7 Canadian Taxpayer.** In the case of a Deferred Share Unit held by a Participant that is a Canadian Taxpayer, and subject to any further limitations provided in any Award Agreement, (i) no settlement payment shall be made to the Participant under this Section 13 until after the time that the Participant ceases to be a director of the Corporation or any subsidiary of the Corporation or an employee or consultant of the Corporation or any subsidiary of the Corporation for any reason, without regard to any agreed or otherwise binding severance or notice period (whether express, implied, contractual, statutory or at common law); and (ii) all settlements to such Participant under this Section 13 shall be made by December 31 of the first calendar year that commences after such time.

#### **14. AMENDMENT, SUSPENSION OR TERMINATION OF PLAN AND AWARDS**

**14.1 Discretion to Amend the Plan and Awards.** Subject to Section 14.2, the Board may amend the Plan or Awards at any time, provided, however, that no such amendment may materially and adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent required by applicable law (including TSXV requirements). Any amendment under this Section shall be subject to all necessary regulatory approvals. Without limiting the generality of the foregoing, the Board may make certain amendments to the Plan or Awards without obtaining the approval of the shareholders of the Corporation including, but not limited to amendments which are intended to:

- (a) ensure compliance with applicable laws, regulations or policies, including, but not limited to the rules and policies of any stock exchange on which the Shares are listed for trading;
- (b) provide additional protection to shareholders of the Corporation;
- (c) remove any conflicts or other inconsistencies which may exist between any terms of the Plan and any provisions of any applicable laws, regulations or policies, including, but not limited to the rules and policies of any stock exchange on which the Shares are listed for trading;
- (d) cure or correct any typographical error, ambiguity, defective or inconsistent provision, clerical omission, mistake or manifest error;
- (e) facilitate the administration of the Plan;
- (f) amend the definitions of the terms used in the Plan, the dates on which Participants may become eligible to participate in the Plan, the minimum and maximum permitted payroll deduction rate, the amount of Participants' contributions and the procedures for making, changing, processing, holding and using such contributions, vesting, the rights of holders of Participant Shares and Employer Shares, the rights to sell or withdraw Plan Shares and cash credited to a Participant's Account and the procedures for doing the same, the interest payable on cash credited to a Participant's Account, the transferability of Plan Shares, contributions or rights under the Plan, the adjustments to be made in the event of certain transactions, Plan expenses, restrictions on corporate action, or use of funds; or
- (g) make any other change that is not expected to materially adversely affect the interests of the shareholders of the Corporation.

**14.2 Amendments Requiring Shareholder Approval.** Notwithstanding Section 14.1, no amendments to the Plan or Awards:

- (a) with respect to Options, reduce the Option Price, or cancel and reissue any Options so as to in effect reduce the Option Price;
- (b) extend (i) the term of an Option beyond its original expiry date, or (ii) the date on which a Performance Share Unit, Restricted Share Unit or Deferred Share Unit will be forfeited or terminated in accordance with its terms, other than in accordance with Section 17.3;

- (c) increase the fixed maximum number of Shares reserved for issuance under the Plan (including a change from a fixed maximum number of Shares to a fixed maximum percentage of Shares);
- (d) revise the participation limits set out in Section 4.3;
- (e) amendments to the definition of “**Eligible Person**” that may permit the introduction or reintroduction of non-executive directors on a discretionary basis; or
- (f) revise the amending provisions set forth in Section 14.1 or 14.2;

shall be made without obtaining approval of the shareholders, or disinterested shareholders, as applicable, of the Corporation in accordance with the requirements of the TSXV.

**14.3 Amendment, Suspension or Discontinuance.** No amendment, suspension or discontinuance of the Plan or of any Award may contravene the requirements of the TSXV or any securities commission or other regulatory body to which the Plan or the Corporation is now or may hereafter be subject to. Termination of the Plan shall not affect the ability of the Board to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

**14.4 Tax Provisions.** Notwithstanding the foregoing:

- (a) no amendment to the Plan shall cause the Plan or Performance Share Units, Restricted Share Units or Deferred Share Units granted to a Canadian Taxpayer hereunder to be made without the consent of such Canadian Taxpayer if the result of such amendment would be to cause the Performance Share Units, Restricted Share Units or Deferred Share Units to be a “**salary deferral arrangement**” under the *Income Tax Act* (Canada); and
- (b) no amendment to the Plan shall cause the Plan or Deferred Share Units granted to a Canadian Taxpayer hereunder to cease to meet the conditions of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada) without the consent of such Canadian Taxpayer.

## **15. DIVIDEND EQUIVALENTS**

The Board may determine whether and to what extent Dividend Equivalents will be credited to a Participant’s PSU Account, RSU Account and DSU Account with respect to Awards of Performance Share Units, Restricted Share Units or Deferred Share Units respectively. Dividend Equivalents to be credited to a Participant’s PSU Account, RSU Account or DSU Account shall be credited as follows:

- (a) any cash dividends or distributions credited to the Participant’s PSU Account, RSU Account or DSU Account shall be deemed to have been invested in additional Performance Share Units, Restricted Share Units or Deferred Share Units, as applicable, on the record date established for the related dividend or distribution in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date by (ii) the Market Price of one Share on such record date, and such additional Performance Share Units, Restricted Share Unit or Deferred Share Unit, as applicable, shall be subject to the same terms and conditions as are applicable in respect of the Performance Share Unit, Restricted Share Unit or Deferred Share Unit, as applicable, with respect to which such dividends or distributions were payable; and
- (b) if any such dividends or distributions are paid in Shares or other securities, such Shares and other securities shall be subject to the same vesting, performance and other restrictions as apply to the Performance Share Units, Restricted Share Units or Deferred Share Unit, as applicable, with respect to which they were paid and such Shares and other securities shall be subject to the limits specified under Sections 4.1 and 4.3 of the Plan.



No Dividend Equivalent will be credited to or paid on Awards of Performance Share Units, Restricted Share Units or Deferred Share Units that have expired or that have been forfeited or terminated.

## 16. MISCELLANEOUS

- 16.1 No Rights as a Shareholder.** Nothing contained in the Plan nor in any Award granted hereunder shall be deemed to give any Person any interest or title in or to any Shares or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever with respect to Shares issuable pursuant to an Award until such Person becomes the holder of record of Shares.
- 16.2 Employment.** Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continued employment or the right to continue to serve as a director or a consultant as the case may be, or interfere in any way with the right of the Corporation to terminate such employment or service at any time. Participation in the Plan by an Eligible Person is voluntary. The Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide employee, consultant or Management Company Employee for the purposes of eligibility under the Plan.
- 16.3 Record Keeping.** The Corporation shall maintain appropriate registers in which shall be recorded all pertinent information with respect to the granting, amendment, exercise, vesting, expiry, forfeiture and termination of Awards. Such registers shall include, as appropriate:
- (a) the name and address of each Participant;
  - (b) the number of Awards credited to each Participant's account;
  - (c) any and all adjustments made to Awards recorded in each Participant's account; and
  - (d) such other information which the Corporation considers appropriate to record in such registers.
- 16.4 Income Taxes.** As a condition of and prior to participation in the Plan, an Eligible Person shall authorize the Corporation in written form to withhold from any payment otherwise payable to such Eligible Person any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such participation in the Plan, the issuance of any Shares pursuant to the Plan or the settlement in cash and/or Shares of any Awards under the Plan. In addition, as a condition for the exercise of an Option, the Corporation may require a Participant to deliver to the Corporation all or a portion of the taxes required to be withheld or remitted by the Corporation under the *Income Tax Act* (Canada) and any applicable Canadian provincial taxation statute as a result of the exercise of the Option (including by payment pursuant to a broker-assisted sale and remittance program authorized by the Board). The Board may require, or may allow a Participant to elect, to satisfy such obligations (up to maximum statutory rates) to be satisfied, in whole or in part, (i) by causing the Corporation to withhold the number of Shares otherwise issuable to the Participant as may be necessary to satisfy such withholding obligation, or (ii) by delivering to the Corporation Shares already owned by the Participant. The Shares so delivered or withheld shall have an aggregate fair market value equal to such withholding obligations (up to maximum statutory rates). The fair market value of the Shares used to satisfy such withholding obligation shall be determined by the Corporation as of the date that the amount of tax to be withheld is to be determined.
- 16.5 No Representation or Warranty.** The Corporation makes no representation or warranty as to the future market value of any Shares issued pursuant to the Plan.
- 16.6 Direction to Transfer Agents.** Upon receipt of a certificate of an authorized officer of the Corporation directing the issue of Shares issuable under the Plan, the transfer agent of the Corporation is authorized and directed to issue and countersign share certificates for the Shares subject to the applicable Award in the name of such Participant or as may be directed in writing by the Participant.

**17. TERM OF AWARD, EXPIRY, FORFEITURE AND TERMINATION OF AWARDS / BLACKOUT PERIODS**

**17.1 Term of Award.** Subject to Section 17.3, in no circumstances shall the term of an Award exceed five years from the Grant Date.

**17.2 Expiry, Forfeiture and Termination of Awards.** If for any reason an Award expires without having been exercised or is forfeited or terminated, and subject to any extension thereof in accordance with the Plan, such Award shall forthwith expire and be forfeited and shall terminate and be of no further force or effect.

**17.3 Blackout Periods.** Notwithstanding any other provision of the Plan, if the expiry date or vesting date of an Award, other than a Performance Share Unit, Restricted Share Unit or Deferred Share Unit awarded to a Canadian Taxpayer, as applicable, is during a Blackout Period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten trading days following the end of the Blackout Period. In the case of a Performance Share Unit, Restricted Share Unit or Deferred Share Unit awarded to a Canadian Taxpayer, any settlement that is effected during a Blackout Period in order to comply with Section 14.4 in the case of a Canadian Taxpayer (subject to the requirements of applicable law) be settled in cash, notwithstanding any other provision hereof.

**18. GOVERNING LAW**

The Plan shall be construed in accordance with and be governed by the laws of Ontario and shall be deemed to have been made therein.

**19. REGULATORY APPROVAL**

**19.1** The Plan shall be subject to the approval of any relevant regulatory authority whose approval is required. Any Awards granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Awards may be exercised or shall vest unless such approval and acceptance is given.

**20. EFFECTIVE DATE OF THE PLAN**

The Plan is dated with effect as of the Effective Date.

## SCHEDULE “B”

### AUDIT COMMITTEE CHARTER

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires the Company to disclose annually in its management information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

#### The Audit Committee’s Charter

##### I. MANDATE

The Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Leviathan Gold Ltd. (the “**Company**”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “**Auditor**”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

##### II. STRUCTURE AND OPERATIONS

###### A. Composition

The Committee shall be comprised of three or more members.

###### B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.

###### C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

###### D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

###### E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of,

and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

### **III. DUTIES**

#### **A. Introduction**

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

#### **B. Powers and Responsibilities**

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

##### *Independence of Auditor*

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

##### *Performance & Completion by Auditor of its Work*

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.
2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

*Internal Financial Controls & Operations of the Company*

1. Establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Preparation of Financial Statements*

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
  - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
  - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
  - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

*Public Disclosure by the Company*

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

*Manner of Carrying Out its Mandate*

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.
5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

**C. Limitation of Audit Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.