

**NORTHISLE COPPER AND GOLD INC.**

Suite 1200 – 1166 Alberni St.  
Vancouver, BC V6E 3Z3

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TAKE NOTICE** that an Annual General Meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of **NORTHISLE COPPER AND GOLD INC.** (the “**Company**”) will be held at Suite 1200 – 1166 Alberni St., Vancouver, British Columbia on Wednesday, December 8, 2021 at 10:00 a.m. (Vancouver time) for the purposes of:

1. setting the number of directors for the ensuing year at five (5);
2. electing the directors for the ensuing year;
3. appointing an auditor for the ensuing year and authorizing the directors to fix the auditor’s remuneration;
4. considering and, if thought advisable, passing an ordinary resolution approving the renewal of the Company’s Stock Option Plan, the full text of which is attached as Schedule “B” to the Circular (as defined below);
5. considering and, if thought advisable, passing an ordinary resolution of disinterested shareholders approving and ratifying the adoption of the Company’s proposed Share Unit Plan, the full text of which is attached as Schedule “C” to the Circular (as defined below);
6. considering and, if thought advisable, passing an ordinary resolution approving and ratifying the Advance Notice Policy, the full text of which is attached as Schedule “D” to the Circular (as defined below); and
7. to transact such other business as may properly come before the Meeting or any adjournment thereof.

Details of the matters proposed to be put before the Meeting are set forth in the accompanying management information circular of the Company to which this Notice of Meeting is attached (the “**Information Circular**”).

**Your vote is important regardless of the number of shares that you own. Shareholders who are unable to attend the Meeting in person are required to date and sign the enclosed form of Instrument of Proxy and to return it to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1** not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof, at which the person named therein purports to vote in respect thereof.

Dated this 5<sup>th</sup> day of November, 2021.

**ON BEHALF OF THE BOARD**

*“Sam Lee”*

**SAM LEE**

President, Chief Executive Officer and Director

**NORTHISLE COPPER AND GOLD INC.**  
**MANAGEMENT INFORMATION CIRCULAR**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON DECEMBER 8, 2021**

This information is given as of November 5, 2021

**I. SOLICITATION OF PROXIES**

This management information circular dated November 5, 2021 (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of **NORTHISLE COPPER AND GOLD INC.** (the “**Company**”) for use at the Annual General Meeting (the “**Meeting**”) of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

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

**II. PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

**III. APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company’s transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

**In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

#### **IV. VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgment of the nominee.

#### **V. ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES**

Only registered holders of common shares of the Company or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, common shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

##### ***Distribution to NOBOs***

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company will have caused its agent to distribute copies of the Notice of Meeting and this Information Circular (collectively, the “**meeting materials**”) as well as a Voting Instruction Form directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder

does not object to the Intermediary disclosing ownership information about the beneficial owner (“**Non-Objecting Beneficial Owner**” or “**NOBO**”).

*These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.*

*By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for Voting Instruction Form enclosed with mailings to NOBOs.*

The meeting materials distributed by the Company’s agent to NOBOs include a Voting Instruction Form. Please carefully review the instructions on the Voting Instruction Form for completion and deposit.

### ***Distribution to OBOs***

In addition, the Company will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Shareholders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**Objecting Beneficial Owner**” or “**OBO**”).

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge Proxy Services to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with **Computershare Investor Services Inc.** in the manner set out above in this circular, with respect to the common shares beneficially owned by such OBO; **OR**
- (b) more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code or other information. In order for the form of proxy to validly constitute a proxy authorization form, the OBO must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

**Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

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

### **A. Voting Securities**

As at the date immediately prior to this Information Circular, there were 168,864,104 common shares of the Company issued and outstanding, with each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each share of which they are the holder.

### **B. Record Date**

Only shareholders of record at the close of business on November 2, 2021, who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies", will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

### **C. Principal Holders**

To the knowledge of the directors and executive officers of the Company, only the following beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company:

<b>Name of Shareholder</b>	<b>Number of Shares Held</b>	<b>Percentage of Issued and Outstanding Shares</b>
Dale Corman	20,666,200	12.2%

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

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

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;

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

The Company was a party to the following material transactions with informed persons during the financial year ended December 31, 2020:

- remuneration for directors and key management personnel for the period ended December 31, 2020 are as follows:

Management fees	<b>\$76,381</b>
Share-based compensation <sup>(1)</sup>	<b>691,684</b>
<b>Total:</b>	<b>\$768,065</b>

<sup>(1)</sup> Share-based compensation is the fair value of options granted to directors and key management personnel which was recognized during the year.

Other than as disclosed elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

## **IX. STATEMENT OF EXECUTIVE COMPENSATION**

### **A. General Provisions**

For the purposes of this Information Circular:

“**CEO**” of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” of the Company means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**closing market price**” means the price at which the Company's security was last sold, on the applicable date:

- (a) in the security's principal marketplace in Canada; or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

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

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

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

“**grant date**” means a date determined for financial statement reporting purposes under IFRS 2 *Share-based Payment*;

“**incentive plan**” means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

“**incentive plan award**” means compensation awarded, earned, paid or payable under an incentive plan;

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

- (a) a CEO;
- (b) a CFO;
- (c) each of the Company’s three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

“**non-equity incentive plan**” means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

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

“**replacement grant**” means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

“**repricing**” means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted

share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## **B. Compensation Discussion and Analysis**

### ***Compensation Program Objectives***

The Company's compensation policies and programs are designed to be competitive with similar junior resource exploration companies and to recognize and reward executive performance consistent with the success of the Company. These policies and programs are intended to attract and retain capable and experienced people. The role and philosophy of the Company's Board of Directors (the "**Board**") is to ensure that the Company's goals and objectives, as applied to the actual compensation paid to the Company's President and Chief Executive Officer and other executive officers, are aligned with the Company's overall business objectives and with shareholders' interests.

In addition to informal industry comparables from publicly available information, the Board considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-range interests of the Company and its shareholders, overall financial and operating performance of the Company, and the Board's assessment of each executive's individual performance and contribution toward meeting corporate objectives. Performance is also recognized through the Company's incentive option plan.

On September 17, 2021, the Board retained The Bedford Group to conduct a formal review of the Company's compensation practices and programs make recommendations to the Board in a formal compensation report following such review (the "**Bedford Report**"). The CGCN Committee (as defined below) will review the Bedford Report once received and refer to its contents in further refining the Company's compensation program and practices in 2022.

### ***Role of Executive Officers in Determining Compensation***

The Board reviews and recommends compensation policies and programs, as well as salary and benefit levels for the Company's executives. The Board also makes the final determination regarding the Company's compensation programs and practice.

### ***Elements of the Compensation Program for Fiscal Year 2020***

The total compensation plan for the NEOs is comprised of two components: base salary or consulting fees and stock options. In 2020, there was no policy or target regarding cash and non-cash elements of the Company's compensation program. The Board annually reviews the total compensation of the Company's executives against the backdrop of the compensation goals and objectives described above and make recommendations to the Board concerning the individual components of the executives' compensation.

### ***Base Salary***

As a junior exploration resource company with no ongoing cash flow or revenues from production, the Company established salaries for its executive officers at a minimal level in 2020, in keeping with the Company's available resources. Following a change in management in late 2020 and capital raised in 2021, executive salaries increased in 2021 to reflect the increased activity level of the Company. Executive



compensation was brought closer to the median level for peer companies in 2021 as part of the Compensation employee retention strategy.

### ***Stock Option Plan***

The Company has a Stock Option Plan (the “**Option Plan**”) in place for the granting of stock options to the directors, officers, employees and consultants of the Company. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating such persons and to closely align the personal interest of such persons to that of the Company’s shareholders, having regard to the fact that the Company has no ongoing cash flow or revenue from production and, as a result, there are limited funds available for the payment of salaries or consulting fees. The allocation of options under the Option Plan is determined by the Board which, in determining such allocations, considers such factors as previous grants to individuals, overall Company performance, share price, the role and performance of the individual in question, the amount of time directed to the Company’s affairs and time expended in serving on the Company’s committees.

### ***Share Unit Plan***

At the Meeting, shareholders will be asked to consider and, if thought appropriate, approve the adoption of the Share Unit Plan (as defined herein), the purpose of which is to allow for the potential acquisition of common shares of the Company by selected eligible persons through the granting of RSUs (as defined herein), PSUs (as defined herein) and DSUs (as defined herein) for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees and directors of the Company and its designated affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of common shares by key employees and directors of the Company and its designated affiliates.

For further information, please see “D. Adoption of Share Unit Plan” under “XV. Particulars of Matters to be Acted Upon” below for details of the Share Unit Plan. The full text of the Share Unit Plan proposed to be adopted is attached to this Information Circular as Schedule “C”.

### ***Risk Considerations***

Commencing in 2012, the Board started to review from time to time and at least once annually, the risks, if any, associated with the Company’s compensation policies and practices at such time. Such a review occurred at the time of preparation of this Compensation Discussion and Analysis. Implicit in the Board’s mandate is that the Company’s policies and practices respecting compensation, including those applicable to the Company’s executives, be designed in a manner which is in the best interests of the Company and its shareholders, and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that a portion (set at a level consistent with its industry peers) of the Company’s executive compensation will consist of options granted under the Option Plan and PSUs and RSUs granted under the Share Unit Plan. Such compensation is both “long term” and “at risk” and, accordingly, is directly linked to the achievement of long-term value creation. As the benefits of such compensation, if any, are not realized by the executives until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is extremely limited.

The other element of compensation, salary, represents the remaining portion of an executive’s total compensation. While salary is not “long term” or “at risk”, as noted above, these components of

compensation represent a relatively small part of total compensation, and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to the executive from the standpoint of the executive's short term compensation when his or her long term compensation might be put at risk from such actions.

Due to the relatively small size of the Company, and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings, during which financial and other information pertaining to the Company will be reviewed, which review will include executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Pursuant to the terms of the Company's insider trading policy, all directors, officers and members of senior management are prohibited from entering into financial instruments that are designed to hedge or offset any decrease in the market value of the Company's equity securities that are held directly or indirectly by them or granted as compensation to them. Such prohibited financial instruments include prepaid variable forward contracts, equity swaps, collars, put or call options and similar financial instruments.

### C. Summary Compensation Table

The NEOs of the Company for the purposes of the following disclosure are as follows:

1. Sam Lee, President and CEO;
2. Nicholas Van Dyk, CFO;
3. David Douglas, Corporate Secretary and former CFO; and
4. John McClintock, the Company's former President and CEO.

The compensation for the NEOs, directly or indirectly, for the Company's three most recently-completed financial years is as follows:

Name and Principal Position	Year	Salary (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Sam Lee, <sup>(3) (7)</sup> President and CEO, Director	2020	Nil	Nil	428,000	Nil	Nil	Nil	Nil	428,000
	2019	-	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-	-
Nicholas Van Dyk, CFO <sup>(4) (7)</sup>	2020	\$15,000	Nil	88,400	Nil	Nil	Nil	Nil	103,400
	2019	-	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-	-
David Douglas, Corporate Secretary <sup>(5)</sup>	2020	14,600	Nil	42,250	Nil	Nil	Nil	Nil	56,850
	2019	9,500	Nil	25,833	Nil	Nil	Nil	Nil	35,333
	2018	9,750	Nil	25,500	Nil	Nil	Nil	Nil	35,250
John McClintock, former President, CEO and Director <sup>(6)</sup>	2020	46,781	Nil	50,700	Nil	Nil	Nil	Nil	97,481
	2019	50,938	Nil	44,000	Nil	Nil	Nil	Nil	94,938
	2018	57,750	Nil	42,666	Nil	Nil	Nil	Nil	100,416

- (1) Salaries include accrued wages payable for 2019. As at December 31, 2020, the Company owed \$nil (December 31, 2019 - \$71,283) and \$nil (December 31, 2019 - \$46,750) to John McClintock and David Douglas, respectively, for unpaid management fees. Amounts due are non-interest bearing with no specific terms of repayment.
- (2) The weighted average grant date fair value of the incentive stock options granted during the financial year ended December 31, 2020 was \$0.12 per option, the weighted average grant date fair value of the incentive stock options granted during the financial year ended December 31, 2019 was \$0.10 per option and the weighted average grant date fair value of the incentive stock options granted during the financial year ended December 31, 2018 was \$0.10 per option. The Company calculated the compensation cost by using the Black-Scholes option pricing model as follows: for options granted in 2020, by assuming a risk-free interest rate of 0.23%, a dividend yield of nil, the expected annual volatility of the Company's share price of 93% and an expected life of the options of 4.5 years, for options granted in 2019 by assuming a risk-free interest rate of 1.15%, a dividend yield of nil, the expected annual volatility of the Company's share price of 80% and an expected life of the options of 5 years; and for options granted in 2018 by assuming a risk-free interest rate of 2.04%, a dividend yield of nil, the expected annual volatility of the Company's share price of 80% and an expected life of the options of 5 years. There was no cash compensation actually paid to any of the NEOs disclosed in the above table in connection with the granting of the incentive stock options in respect of which these "Option-based awards" were calculated.
- (3) Mr. Lee was appointed President and CEO on October 5, 2020 and as a Director on November 5, 2020. Mr. Lee did not receive any separate compensation for his role as a Director.
- (4) Mr. Van Dyk was appointed Vice President, Corporate Development and Investor Relations on November 17, 2020 and subsequently transitioned to CFO on September 1, 2021. Compensation disclosed in this table was paid to Revelation Financial Inc., a company controlled by Mr. Van Dyk, for compensation payable to Mr. Van Dyk in his capacity as Vice President, Corporate Development and Investor Relations.
- (5) Mr. Douglas resigned from the position of CFO on September 1, 2021, at which time he continued with the Company solely in the position of Corporate Secretary. Compensation disclosed in this table was paid to Mr. Douglas in his capacity as CFO and Corporate Secretary.
- (6) Mr. McClintock transitioned from President and CEO to Vice President, Exploration on October 5, 2020 and resigned as a Director on November 4, 2020. Mr. McClintock did not receive any separate compensation for his role as a Director.
- (7) On October 1, 2021, Mr. Lee and Mr. Van Dyk entered into new employment agreements with the Company which reflect, amongst other things, an annual base salary of \$275,000 and \$220,000 respectively.

#### **D. Incentive Plan Awards**

As disclosed under "B. Compensation Discussion and Analysis" of this Item IX ("Statement of Executive Compensation"), the Company has in place an Option Plan for the purpose of attracting and motivating directors, Officers, Employees and Consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Option Plan to purchase shares of the Company. See "C. Renewal of Incentive Stock Option Plan" under "XV. Particulars of Matters to be Acted Upon" below for details of the Option Plan, the full text of which is attached to this Information Circular as Schedule "B".

Options are granted from time to time under the Option Plan as determined by the Board of Directors, including options granted to executive officers. Previous grants of options under the Option Plan are taken into account when the granting of new options is being considered.

The Company does not currently have any share-based awards in place. At the Meeting, shareholders will be asked to consider and, if appropriate, approve the adoption of the Share Unit Plan to enable the Company to grant RSUs, PSUs and DSUs in order to allow for the potential acquisition of common shares of the Company by selected eligible persons for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees and directors of the Company and its designated affiliates. See "D. Adoption of the Share Unit Plan" under "XV. Particulars of Matters to be Acted Upon"

below for details of the Share Unit Plan, the full text of which is attached to this Information Circular as Schedule “C”.

***Outstanding Share-Based Awards and Option-Based Awards***

The following table discloses the particulars of all awards for each NEO outstanding at the end of the Company’s financial period ended December 31, 2020, including awards granted before this most recently completed financial period:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Sam Lee	4,000,000	0.12	Oct. 5, 2025	640,000	N/A	N/A	N/A
Nicholas Van Dyk	650,000	0.20	Nov. 17, 2025	52,000	N/A	N/A	N/A
David Douglas	400,000 300,000 250,000 250,000	0.17 0.15 0.07 0.28	Jan. 9, 2022 Feb. 26, 2023 Sept. 24, 2024 Dec. 28, 2025	44,000 39,000 52,500 Nil	N/A	N/A	N/A
John McClintock	800,000 400,000 400,000 300,000	0.17 0.15 0.07 0.28	Jan. 9, 2022 Feb. 26, 2023 Sept. 24, 2024 Dec. 28, 2025	88,000 52,000 84,000 Nil	N/A	N/A	N/A

***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended December 31, 2020:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Sam Lee	Nil	N/A	N/A
Nicholas Van Dyk	Nil	N/A	N/A
David Douglas	Nil	N/A	N/A
John McClintock	Nil	N/A	N/A

***Repricings***

There were no repricings of Stock Options under the Option Plan or otherwise during the Company’s completed financial period ended December 31, 2020.

**E. Pension Plan Benefits**

The Company has no defined benefit plans that provide for payments or benefits to any NEO at, following or in connection with retirement.

The Company also does not have any defined contribution or deferred compensation plans relating to any NEO.

**F. Termination and Change of Control Benefits**

As at December 31, 2020, no NEO or employee had a termination or change of control benefit. Subsequently, on October 1, 2021, the Company entered into new employment agreements with each of Mr. Lee and Mr. Van Dyk which, amongst other things, provide for payments following or in connection with a termination without cause or a Change of Control (as defined below), as follows:

- in the event that Mr. Lee is terminated without cause, the Company shall pay to Mr. Lee (in addition to basic entitlements for unpaid base salary to the date of termination, accrued and outstanding vacation pay and reimbursement for properly incurred business expenses) an amount in cash equal to twelve (12) months' of his then-current base salary, plus his average annual bonus awarded over the previous three (3) years (the "**Average Bonus**"). In the event that, within the 12-month period immediately following a Change of Control, Mr. Lee is terminated without cause or resigns for good reason, (i) the Company shall pay to Mr. Lee (in addition to the basic entitlements outlined above) an amount in cash equal to 2x his then current base salary, plus 2x his Average Bonus; (ii) all unvested Options and any other equity-based compensation held by Mr. Lee shall immediately vest and become exercisable in accordance with their respective terms; and (iii) all benefits received by Mr. Lee shall continue for a period of two (2) years from the effective date of termination; and
- in the event that Mr. Van Dyk is terminated without cause, the Company shall pay to Mr. Van Dyk (in addition to the basic entitlements outlined above) an amount in cash equal to twelve (12) months' of his then-current base salary, plus his Average Bonus. In the event that, within the 12-month period immediately following a Change of Control, Mr. Van Dyk is terminated without cause or resigns for good reason, (i) the Company shall pay to Mr. Van Dyk (in addition to the basic entitlements outlined above) an amount in cash equal to twelve (12) months' of his then-current base salary, plus his Average Bonus; (ii) all unvested Options and any other equity-based compensation held by Mr. Van Dyk shall immediately vest and become exercisable in accordance with their respective terms; and (iii) all benefits received by Mr. Van Dyk shall continue for a period of one (1) year from the effective date of termination.

For the purposes of this section, "**Change of Control**" means: (a) a direct or indirect acquisition of voting securities of the Company that, when taken together with any other voting securities owned directly or indirectly by such acquiror(s) at the time of acquisition, constitute 50% or more of the outstanding voting securities of the Company; (b) a majority of the then-incumbent nominees for election to the Board are not elected at any meeting of shareholders of the Company; (c) a sale, transfer or disposition of all or substantially all assets of the Company; (d) a liquidation, dissolution or winding-up of the Company; or (e) a merger, amalgamation, consolidation or reorganization into or with another body corporate or legal person that results in 50% or more of the voting shares of the resulting entity being beneficially held by a party (or parties) which, in the aggregate, held less than 40% of the voting shares of the Company immediately prior to such transaction.

**G. Director Compensation**

The following table discloses all amounts of compensation provided by the Company to its directors who are not NEOs for the financial period ended December 31, 2020:

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)<sup>(1)</sup></b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
Dale Corman	Nil	N/A	33,800	N/A	N/A	Nil	33,800
Larry Yau	Nil	N/A	33,800	N/A	N/A	Nil	33,800
Martino De Ciccio	Nil	N/A	33,800	N/A	N/A	Nil	33,800
Kevin O’Kane	Nil	N/A	59,000	N/A	N/A	Nil	59,000

<sup>(1)</sup> The weighted average grant date fair value of the incentive stock options granted during the financial year ended December 31, 2020 was \$0.12 per option. The Company calculated the compensation cost by using the Black-Scholes option pricing model as follows: by assuming a risk-free interest rate of 0.23%, a dividend yield of nil, the expected annual volatility of the Company’s share price of 93% and an expected life of the options of 4.5 years. There was no cash compensation actually paid to any of the directors who are not NEOs disclosed in the above table in connection with the granting of the incentive stock options in respect of which these “Option-based awards” were calculated. Dale Corman, Larry Yau and Martino De Ciccio each received option awards of 200,000 options as at December 28, 2020. Kevin O’Kane received an option award of 500,000 options as at November 4, 2020.

Other than as set forth in the foregoing, no director of the Company who is not an NEO has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

***Outstanding Share-Based Awards and Option-Based Awards***

The following table discloses the particulars of all awards outstanding for each of the directors who are not NEOs at the end of the Company’s financial period ended December 31, 2020, including awards granted before this most recently completed financial period:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Dale Corman	350,000 300,000 200,000 200,000	\$0.17 \$0.15 \$0.07 \$0.28	Jan. 9, 2022 Feb. 26, 2023 Sep. 4, 2024 Dec. 29, 2025	\$38,500 \$39,000 \$42,000 Nil	N/A	N/A	N/A
Larry Yau	300,000 300,000 200,000 200,000	\$0.17 \$0.15 \$0.07 \$0.28	Jan. 9, 2022 Feb. 26, 2023 Sep. 4, 2024 Dec. 29, 2025	\$33,000 \$39,000 \$42,000 Nil	N/A	N/A	N/A
Martino De Ciccio	350,000 200,000 200,000	\$0.15 \$0.07 \$0.28	Feb. 26, 2023 Sep 4, 2024 Dec. 29, 2025	\$45,500 \$42,000 Nil	N/A	N/A	N/A
Kevin O’Kane	500,000	0.175	Nov. 4, 2025	\$52,500	N/A	N/A	N/A

***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table summarizes the value of each incentive plan award vested or earned by each of the directors who are not NEOs at the end of the Company’s financial period ended December 31, 2020:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Dale Corman	Nil	N/A	N/A
Larry Yau	Nil	N/A	N/A
Martino De Ciccio	Nil	N/A	N/A
Kevin O’Kane	Nil	N/A	N/A

**X. SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company were authorized for issuance at the end of the Company’s most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	13,125,000	\$0.15	1,516,919
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Total	13,125,000	\$0.15	1,516,919

**XI. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

**XII. MANAGEMENT CONTRACTS**

During the Company's most recently completed financial year ended December 31, 2020, there were no management functions of the Company which were to any substantial degree performed by a person other than a director or senior officer of the Company.

**XIII. CORPORATE GOVERNANCE**

Pursuant to National Policy 58-101 – *Disclosure of Corporate Governance Practices*, the Company is required to and hereby discloses its corporate governance practices as follows:

**A. Board of Directors**

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board, both with and without non-independent directors and members of the Company's management (including members of management that are also directors) being in attendance. In the year ended December 31, 2020, the independent directors held 3 such meetings without non-independent directors present.

Sam Lee, CEO, is not considered to be independent. Mr. Lee is an executive officer of the Company.

Dale Corman, Martino De Ciccio, Kevin O'Kane and Larry Yau are "independent" directors in that each is independent and free from any interest and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Company, other than interests and relationships arising from shareholdings.

The independent directors are expected to be actively and regularly involved in reviewing and supervising the Company's operations and have regular and full access to management. Further supervision will be performed through the Audit Committee which is composed of independent directors who will meet with the Company's auditors without management being in attendance.

All directors were in attendance at all Board meetings during 2020.



## **B. Directorships**

Certain of the directors of the Company are presently a director in one or more other reporting issuers, as follows:

### **Directors**

Dale Corman  
Larry Yau  
Kevin O’Kane

### **Other Issuers**

Spanish Mountain Gold Ltd.<sup>(1)</sup>  
Spanish Mountain Gold Ltd.  
SolGold Plc  
Almaden Minerals Ltd.  
IAMGOLD Corporation

<sup>(1)</sup> Mr. Corman will not be standing for re-election as a director of Spanish Mountain Gold Ltd. at its annual general meeting of shareholders scheduled for December 2, 2021.

## **C. Board Mandate**

The Board is responsible for the stewardship of the Company and for the supervision of the management of the business and affairs of the Company. The mission of the Board is to oversee the Company’s efforts to create enduring value for all stakeholders. The Board’s primary responsibilities are to:

- (a) identify and monitor the long-term business strategies of the Company;
- (b) review and monitor the financial and operating results of the Company;
- (c) recruit and evaluate the CEO and senior management and review management succession planning;
- (d) assess principal risks facing the Company and implement systems to mitigate such risks; and
- (e) oversee the development of the Company’s approach to corporate governance.

## **D. Position Descriptions**

Given the size of the Company, the Board does not believe that it is necessary to develop a formal written position description for the chair of the Board or the chair of each Board committee. The primary role of the chair of the Board and the chair of each committee is managing the affairs of the Board or respective committee, as applicable, including ensuring the Board or committee is properly organized, functions effectively and meets its obligations and responsibilities as set out in its mandate.

Similarly, the Board has not adopted a formal written position description for the CEO, however the CEO’s duties and responsibilities are generally set out in his employment agreement.

## **E. Orientation and Continuing Education**

The Company does not have formal orientation and training programs, but expects to provide new Board members with:

- (a) access to the Company’s recent, publicly filed documents, technical reports in respect of the Company’s mineral properties and the Company’s internal financial information;

- (b) access to management and technical experts and consultants; and
- (c) a summary of significant corporate and securities responsibilities.

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

The CGCN Committee (as defined below) will periodically make recommendations to the Board in relation to directors' orientation and continuing education program.

#### **F. Ethical Business Conduct**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. The Board has adopted a Code of Conduct, the full text of which is available to view on its website at [www.northisle.ca](http://www.northisle.ca). The Board intends to instruct its management and employees to abide by the Code.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

#### **G. Nomination of Directors**

The CGCN Committee (as defined below) is responsible for identifying potential Board candidates and developing criteria and procedures for the identification and recruitment of candidates for election as directors of the Company. The CGCN Committee assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors and recommends nominees to fill vacancies on the Board. Members of the Board, management and representatives of the mineral exploration industry are expected to be consulted for possible candidates.

#### **H. Compensation**

The CGCN Committee (as defined below) will make recommendations to the Board as to the form and amount of director compensation, including cash, equity-based awards and other director compensation. Directors' compensation will take into account market practices for comparable companies and will reflect an appropriate balance between cash and equity.

The independent members of the CGCN Committee (as defined below) shall be responsible for determining a framework for management compensation and within such framework, determining the remuneration package of the CEO including, where appropriate, bonuses, incentive payments, shares, share option grants and/or other equity incentives and confirm aspects of the individual remuneration packages of other members of senior management as recommended by the CEO including, where appropriate, incentive payments, shares, share option grants and/or other equity incentives.

In setting the compensation, the independent directors intend to take into account market practices for comparable companies and will annually review the performance of the CEO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. In addition, the Compensation Committee will also take into account those recommendations

made to the Company in the Bedford Report. See also “B. Compensation Discussion and Analysis” under “IX. Statement of Executive Compensation” herein.

## **I. Other Board Committees**

### ***CGCN Committee***

On May 11, 2021, the Board established a Corporate Governance, Compensation and Nominating Committee (the “**CGCN Committee**”). The CGCN Committee currently consists of three directors, Martino De Ciccio, Kevin O’Kane and Larry Yau, all of whom are independent. The CGCN Committee’s mandate is to assist the Board in establishing the Company’s corporate governance policies and practices, identifying individuals qualified to become members of the Board, reviewing the composition and performance of the Board and its committees and overseeing compensation matters for the CEO and senior management.

### ***Technical and Sustainability Committee***

On May 11, 2021, the Board established a Technical and Sustainability Committee (the “**Sustainability Committee**”). The Sustainability Committee currently consists of three directors, Kevin O’Kane, Dale Corman and Sam Lee. The Sustainability Committee’s mandate is to review and monitor the policies, activities and performance of the Company as they relate to: (i) exploration and mineral reserve and resource estimates; (ii) development of the North Island Project; and (iii) sustainability, including health, safety, environmental and corporate social responsibility.

### ***Other Committees***

The Board may establish such additional committees from time to time as it deems appropriate and delegate to them such authority permitted by applicable law and the Company’s Articles. As the directors will be actively involved in the operations of the Company and the size of the Company’s operations do not warrant a larger Board, the Board has determined that any committees in addition to the Audit Committee, the CGCN Committee and the Sustainability Committee will not be necessary at the current stage of the Company’s development. The CGCN Committee will review and consider the establishment and composition of potential and existing committees of the Board on an annual basis.

## **J. Assessments**

The Board will conduct an annual self-evaluation (the “**Annual Review**”) to determine whether it and its committees are functioning effectively. The Annual Review process is developed by the CGCN Committee and will include a solicitation of comments from all directors and a report to the Board on the results of this evaluation. The CGCN Committee will also annually evaluate the contributions of the individual directors.

## **XIV. AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

**A. Audit Committee Charter**

The Company's audit committee is governed by an audit committee charter, the text of which is attached as Schedule "A" to this Information Circular.

**B. Composition of the Audit Committee**

The Company's audit committee currently consists of three directors: Larry Yau, Dale Corman and Martino De Ciccio, all of whom are independent within the meaning of NI 52-110.

A member of the audit committee is "independent" if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment.

**C. Relevant Education and Experience**

NI 52-110 provides that a member of the audit committee is considered to be "financially literate" if he has 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 complexities of the issues that can reasonably be expected to be raised by the Company.

All of the members of the Company's audit committee are considered to be "financially literate", as that term is defined in NI 52-110.

Larry Yau is a Canadian Chartered Accountant with over 30 years of financial and business experience gained primarily in the mining and resource sectors. He is currently the Chief Executive Officer for Spanish Mountain Gold Ltd., an advanced gold exploration company based in British Columbia. He was previously Manager, Corporate Development, at Placer Dome Inc. until its acquisition by Barrick Gold Corp.

Dale Corman has over 30 years' experience as a senior officer of public mining companies. His roles have required that Mr. Corman understand, review and approve financial statements.

Martino De Ciccio has 15 years' experience as a senior officer of public companies and is a CFA Charter holder. His roles have required that Mr. De Ciccio understand, review and approve financial statements.

The Board believes that the audit committee members have the relevant education and experience to comply with NI 52-110.

**D. Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Company's Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

**E. Pre-Approval Policies and Procedures**

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board, and where applicable the audit committee, on a case-by-case basis.

**F. External Auditor Service Fees**

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, is as follows:

<b>Financial Period Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
December 31, 2020	\$29,000	Nil	\$6,000	Nil
December 31, 2019	\$18,500	Nil	\$3,000	Nil

(1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) “Audit Related Fees” include services that are traditionally performed by the auditor. These audit related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice include assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from tax authorities.

(4) “All Other Fees” include all other non-audit services.

**XV. PARTICULARS OF MATTERS TO BE ACTED UPON**

**A. Election of Directors**

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at five (5).

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Information Circular:

<b>Name of Nominee, Residence and Present Positions Held</b>	<b>Principal Occupation</b>	<b>Director Since</b>	<b>Number of Shares Beneficially Owned or Controlled</b>
<b>SAM LEE</b> British Columbia, Canada President, Chief Executive Officer and Director	See “Director Biographies” below.	November 5, 2020	2,003,081
<b>DALE CORMAN</b> <sup>(1)(2)</sup> British Columbia, Canada Chairman and Director	See “Director Biographies” below.	August 19, 2011	20,666,200
<b>MARTINO DE CICCIO</b> <sup>(1)</sup> London, England, UK Director	See “Director Biographies” below.	February 6, 2018	Nil
<b>LARRY YAU</b> <sup>(1)</sup> British Columbia, Canada Director	See “Director Biographies” below.	February 11, 2014	400,000
<b>KEVIN O’KANE</b> British Columbia, Canada Director	See “Director Biographies” below.	November 5, 2020	166,667

<sup>(1)</sup> Denotes member of the Audit Committee.

<sup>(2)</sup> Mr. Corman beneficially owns more than ten per cent (10%) of the voting rights attached to all voting securities of the Company. Please see “*Voting Shares and Principal Holders Thereof – Principal Holders*”.

*Pursuant to the Advance Notice Policy (as defined below) adopted by the Board on November 5, 2021 and discussed in further detail below, any additional director nominations for the Meeting must be received by the Company in compliance with the Advance Notice Policy no later than the close of business on November 8, 2021.*

### ***Director Biographies***

#### *Sam Lee, President, CEO and Director*

Over the past 20 years Mr. Lee has advised on some of the most prominent M&A, equity and debt transactions in the international and Canadian global mining industry totaling over \$100 billion in value. During this period, he has worked in major resource markets including Toronto, Sydney and Vancouver where he led various strategic initiatives for CIBC World Markets. Most recently, he was Managing Director and head of CIBC’s Vancouver Mining Group. Mr. Lee holds a Bachelor of Applied Science, Faculty of Engineering, from the University of Toronto, was a graduate of the Lassonde Mineral Engineering program and is a CFA charter holder.

#### *Dale Corman, Director and Chairman*

From 1995 to 2006, Mr. Corman was Chairman of the Board of Directors and Chief Executive Officer of Western Silver Corporation. He has 50 years’ experience as a senior corporate officer of publicly listed companies in Canada and the United States, as well as extensive expertise in mineral and geothermal exploration and development, property evaluation and acquisition, project financing and corporate management. Mr. Corman received a B.S. in geology from Rensselaer Polytechnic Institute in Troy, New York, in 1961 and obtained Professional Engineer status in Ontario in 1972. From 2006 until February

2016, Mr. Corman acted as Chairman and Chief Executive Officer of Western Copper and Gold Corporation. From February 2016 until June 2021, Mr. Corman acted as the Executive Chairman of Western Copper and Gold Corporation.

As Chairman of the Board of the Company, Mr. Corman is responsible for general corporate oversight and strategy.

*Larry Yau, Director*

Mr. Yau is a Canadian Chartered Professional Accountant with over thirty years of financial and business experience gained primarily in the mining and resource sectors. He is currently the Chief Executive Officer for Spanish Mountain Gold Ltd., an advanced gold exploration company based in British Columbia. Mr. Yau was formerly the Chief Financial Officer for two junior mining companies where he was instrumental in the financing, development and construction of mines in North America. He was also Manager, Corporate Development, at Placer Dome Inc. until its acquisition by Barrick Gold Corp., and participated in several high-profile, international acquisitions.

*Martino De Ciccio, Director*

Mr. De Ciccio has worked in the mining industry for the past 15 years and is currently vice-president strategy and investor relations at Endeavour Mining, a position he assumed in 2015. Prior to joining Endeavour Mining, he held the position of strategy and business development manager at La Mancha Resources. Mr. De Ciccio earned a BCom in finance from McGill University. He is a CFA charter holder and a member of the CFA Institute.

*Kevin O’Kane, Director*

Mr. O’Kane has nearly 40 years of experience in the natural resource industry. He spent 37 years at BHP in Canada and South America including roles as President Pampa Norte in Chile, Vice President Health, Safety and Environment for the Copper Business, and Chief Mine Engineer at Island Copper. He was the Chief Operating Officer at SSR Mining from 2018 to 2020. He currently serves as a Director of SolGold Plc, Almaden Minerals and IAMGOLD Corporation. Mr. O’Kane received a B. App. Science in mining engineering from Queen’s University in Kingston, Ontario, and is a registered Professional Engineer in British Columbia.

***Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more that 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or

instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by management of the Company.

**B. Appointment of Auditors**

Management proposes that PricewaterhouseCoopers LLP, Chartered Professional Accountants, of Vancouver, British Columbia be re-appointed Auditors of the Company at the Meeting for the ensuing year at a remuneration to be negotiated between the Auditors and the directors. PricewaterhouseCoopers LLP was initially appointed as the Company's Auditors at the last Annual General Meeting of Shareholders held on December 29, 2020.

***Directors' Recommendation***

Management has determined that the reappointment of PricewaterhouseCoopers LLP as Auditors of the Company for the ensuing year at a remuneration to be negotiated between the Auditor and the directors is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution in respect of same.

***Shareholder Approval***

As disclosed above, the appointment of Auditors at a remuneration to be negotiated between the Auditors and the directors is subject to the Company receiving shareholder approval therefor.

The form of resolution to be placed before shareholders at the Meeting is as follows:

**“Be it Resolved that, as an Ordinary Resolution, with or without amendment:**

1. the appointment of PricewaterhouseCoopers as Auditors of the Company for the ensuing year, at a remuneration to be negotiated between the Auditors and the directors, is hereby approved, ratified and confirmed.
2. The board of directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing.”

**The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the appointment of Auditors at a remuneration to be negotiated between the Auditors and the directors, unless a shareholder has specified in its proxy that its common shares are to be withheld in respect of such resolution.** If no choice is specified by the shareholder to vote for or to withhold in respect of the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution.



**C. Renewal of the Company's Incentive Stock Option Plan**

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving the renewal of the Company's Option Plan, the full text of which is attached as Schedule "B" hereto. It is a condition of TSX Venture Exchange (the "**Exchange**") acceptance of the Option Plan that shareholder approval be obtained annually. The renewal of the Option Plan was most recently approved by the shareholders of the Company at its 2020 Annual General Meeting held on December 29, 2020. The purpose of the Option Plan is to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and to closely align the personal interests of such directors, officers and employees with the interests of the Company and its shareholders. Options granted under the Option Plan are non-assignable and may be granted for a term not exceeding that permitted by the Exchange (currently ten years). A summary of the material aspects of the Option Plan is as follows:

1. The directors may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries (collectively, "**Eligible Persons**").
2. The maximum number shares which may be issued pursuant to options previously granted and those granted under the Option Plan will be a maximum of 10% of the issued and outstanding shares of the Company at the time of the grant.
3. The number of shares which may be issuable under the Option Plan and all of the Company's other previously established or proposed share compensation arrangements, in any 12-month period:
  - (a) to any one person, shall not exceed 5% of the total number of issued and outstanding shares of the Company on the date of grant on a non-diluted basis, unless the Company has obtained disinterested shareholder approval to exceed such limit;
  - (b) to insiders as a group shall not exceed 10% of the total number of issued and outstanding shares of the Company on the date of grant on a non-diluted basis, unless the Company has obtained disinterested shareholder approval to exceed such limit;
  - (c) to any one consultant shall not exceed 2% of the total number of issued and outstanding shares of the Company on the date of grant on a non-diluted basis; and
  - (d) to all eligible persons who undertake investor relations activities shall not exceed 2% in the aggregate of the total number of issued and outstanding shares of the Company on the date of grant on a non-diluted basis.
4. Options will be exercisable over periods of up to ten years as determined by the Board of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange.
5. Options are not assignable nor transferable, except other than pursuant to a will or by the laws of descent and distribution.
6. The Option Plan contains no vesting requirements, but permits the Board of the Company to specify a vesting schedule in its discretion.

7. The Option Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.
8. The Option Plan does not provide for financial assistance by the Company to any optionee.
9. The Option Plan does not provide the Company with the ability to transform a stock option into a stock appreciation right.
10. Where a black-out period is imposed by Company and the specified expiry date of a stock option (i.e., the expiry date determined at the date time of grant) falls within the black-out period or within five trading days after such black-out period, such stock option will expire on the date that is 10 trading days following the end of the black-out period.
11. If an optionee ceases to be an Eligible Person for cause, any outstanding options held by such optionee on the date of such termination shall be cancelled as of that date. In other circumstances, an option may be exercised by the optionee:
  - (a) in the event of termination other than for cause, until the earlier of (i) the expiry date of such option; and (ii) the date that is 90 days (or 30 days if the optionee was engaged in investor relations activities) after the optionee ceases to be an Eligible Person; and
  - (b) in the event of death or disability, until the earlier of (i) one year after the date of death or disability; and (ii) the expiry date of such option, and then only to the extent that such optionee was entitled to exercise the option at the date of death or disability of such optionee.

The Board of the Company may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders, the Exchange or any other regulatory body having authority over the Company or the Option Plan, suspend, terminate or discontinue the Option Plan at any time, or amend or revise the terms of the Option Plan or of any option granted thereunder and the option agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any option previously granted to an optionee under the Option Plan without the consent of that optionee.

A copy of the Option Plan is attached hereto as Schedule "B" and will be available for review at the Meeting.

### ***Directors' Recommendation***

The Board has determined that the renewal of the Option Plan is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution approving the renewal of the Option Plan.

### ***Shareholder Approval***

As disclosed above, the renewal of the Option Plan is subject to the Company receiving shareholder approval therefor.

The form of resolution to be placed before shareholders at the Meeting is as follows:

**“Be it Resolved that, as an Ordinary Resolution, with or without amendment:**

1. The renewal of the Company’s Stock Option Plan as described in the management information circular dated November 5, 2021, prepared in connection with this annual general meeting of shareholders, is hereby approved, ratified and confirmed, with or without amendment.
2. The board of directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing.”

**The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the renewal of the Option Plan, unless a shareholder has specified in its proxy that its common shares are to be voted against the resolution. If no choice is specified by the shareholder to vote for or against the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution.**

**D. Adoption of the Share Unit Plan**

At the Meeting, shareholders will be asked to vote for the adoption of the Company’s share unit plan (the “**Share Unit Plan**”), the full text of which is attached as Schedule “C” to this Information Circular. In order for the resolution described herein to pass, a simple majority of affirmative votes cast at the Meeting excluding the votes cast by shareholders eligible to receive grants pursuant to the Share Unit Plan and their affiliates and associates (the “**Disinterested Shareholders**”) is required to pass the resolution. The Board adopted the Share Unit Plan dated effective November 5, 2021, the particulars of which are described below. A draft of the Share Unit Plan was submitted for acceptance to the Exchange on October 28, 2021 and is subject to confirmation and approval by the shareholders and the satisfaction of the requirements of the Exchange, including the filing of applicable documentation. The purpose of the Share Unit Plan is to allow for the potential acquisition of common shares of the Company by selected eligible persons for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees and directors of the Company and its designated affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of common shares by key employees and directors of the Company and its designated affiliates. It is generally recognized that share unit plans can aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Company. The deferred share units (the “**DSUs**”), restricted share units (the “**RSUs**”) and the performance share units (the “**PSUs**” and collectively with the RSUs and the DSUs, the “**Share Units**”) issuable under the Share Unit Plan are “phantom shares” that track the value of the underlying common shares but do not entitle the recipient to the actual underlying common shares until such Share Units vest.

As of the date hereof, no Share Units have been granted under the Share Unit Plan.

***Particulars of the Share Unit Plan***

A summary of certain provisions of the Share Unit Plan is set out below. This summary is qualified in its entirety by the full text of the Share Unit Plan attached as Schedule “C” to this Information Circular.

### *Eligible Participants*

Participation in the Share Unit Plan is restricted to employees, non-executive directors and officers of the Company and its designated affiliates (an “**Award Eligible Person**”). Employees, including directors who are also employees, are eligible to participate in the Company’s Share Unit Plan.

### *Transferability*

Awards issued under the Share Unit Plan may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of (other than to the beneficiary or estate of a Share Unit Plan Eligible Person, as the case may be, upon the death of the Share Unit Plan Eligible Person’s granted Share Units (the “**Award Grantee**”)).

### *Administration of the Share Unit Plan*

The Share Unit Plan is administered by the Board of the Company. The Share Unit Plan consists of DSUs, PSUs and RSUs, the administration thereof is outlined below:

- (a) **Deferred Share Units.** Under the Share Unit Plan, the Board may grant DSUs (a “**DSU Award**”) to Award Eligible Persons who are non-employees of the Company or its designated affiliates (a “**DSU Award Eligible Person**”), attributable to the DSU Award Eligible Person’s duties as a non-executive director of the Company or its designated affiliates. Unless specified otherwise in the applicable DSU agreement, DSUs will vest on the date that is one year following the date of grant. The purpose of DSU Awards is to provide non-employee directors with appropriate equity-based compensation for the services he or she rendered to the Company. In addition, DSU Award Eligible Persons are entitled to elect to receive up to 100% of their annual cash compensation in DSUs. Each DSU Award Eligible Person who receives DSUs will receive that number of DSUs equal to the quotient of (i) and (ii), where (i) is the dollar amount of compensation payable in DSUs on the date the compensation is payable and (ii) is the fair market value of the common shares on the date of payment, rounded down to the nearest whole number. Upon redemption, a DSU Award recipient will be entitled to receive: (i) the number of common shares equal to the number of DSUs being settled, (ii) the payment of a cash amount equal to the fair market value of the number of DSUs being settled, or (iii) any combination of the foregoing, as determined by the Company in its sole discretion.
- (b) **Restricted Share Units.** Under the Share Unit Plan, the Board may grant RSUs to Award Eligible Persons. Upon vesting, the RSUs will be redeemed within 30 days of the applicable redemption date, for (i) the number of common shares equal to the numbers of RSUs vested on the redemption date, (ii) a cash amount equal to the fair market value of the number of common shares equal to the number of RSUs being settled, or (iii) a combination of (i) and (ii). The redemption date in respect of any RSU is the date provided for in the agreement granting the RSUs, or if no date is set, the third anniversary of the grant date. The Board has the discretion to stipulate the length of time for vesting, provided that the RSUs may not vest: (i) prior to one year following the date of grant; and (ii) more than three years after the date of grant.
- (c) **Performance Share Units.** Under the Share Unit Plan, the Board may grant PSUs to Award Eligible Persons. PSUs will vest on the achievement of the applicable Performance Vesting Conditions (as defined in the Share Unit Plan) at the end of the applicable period established by the Board for which the achievement of Performance Goals (as defined in

the Share Unit Plan) is assessed or determined (the “**Performance Period**”). Upon vesting, the PSUs will be redeemed within 30 days of the applicable redemption date, for (i) the number of common shares equal to the numbers of PSUs vested on the redemption date, (ii) a cash amount equal to the fair market value of the number of common shares equal to the number of PSUs being settled, or (iii) a combination of (i) and (ii). The redemption date in respect of any PSU is the date provided for in the agreement granting the PSUs, or if no date is set, the third anniversary of the grant date. The Board has the discretion to stipulate the Performance Period, provided that the PSUs may not vest: (i) prior to one year following the date of grant; and (ii) more than three years after the date of grant.

If an Award Eligible Person is terminated, or if the Award Eligible Person resigns or retires and holds vested Share Units, the vested Share Units will be redeemed as soon as practicable after the Award Eligible Person’s employment is terminated. If an Award Eligible Person is terminated, or if the Award Eligible Person resigns or retires and holds unvested Share Units, the unvested Share Units held by the Award Eligible Person will be dealt with in accordance with the terms set out in the applicable award agreement, which agreement will provide that unvested Share Units either: (i) automatically terminate on the termination of the Award Eligible Person’s employment and the Award Eligible Person will cease to have any rights in relation to those Share Units; or (ii) automatically vest. In the event of a change of control of the Company, the Company may send notice to all Award Eligible Persons of such transaction, offer or proposal and (i) the Board may, by resolution and notwithstanding any vesting schedule applicable to any Share Units permit all Share Units outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of a Share Unit), so that the Award Eligible Person may participate in such transaction, offer or proposal, and (ii) the Board may accelerate the expiry date of such Share Units and the time for the fulfillment of any conditions or restrictions on such exercise to an earlier date chosen by the Board in its unfettered discretion.

#### *Amendments to the Share Unit Plan*

The Board has the right, in its sole discretion, to amend, suspend or terminate the Share Unit Plan without notice to or prior approval of any person, including shareholders of the Company, except where required by law, including the rules, regulations and policies of the Exchange, provided that no such amendment, suspension or termination may adversely affect the rights of any participant with respect to the Share Units to which the participant is entitled under the Share Unit Plan without the consent of the participant. Approval of Disinterested Shareholders will be required for the following amendments: (i) amendments to the number of common shares issuable under the Share Unit Plan; (ii) amendments to remove or increase the insider participation limits in section 3.5 of the Share Unit Plan; (iii) amendments to remove or increase the participation limits in section 3.4(3) while the common shares are listed on the Exchange; (iv) amendments to extend the term of a Share Unit held by an insider beyond the original expiry date; (v) amendments to the transferability or assignability of a Share Unit pursuant to subsection 3.6(1) of the Share Unit Plan; (vi) amendments to the amendment provisions in subsection 9.1(4); and (vii) amendments required to be approved by shareholders under applicable law or regulations, including the rules, regulations and policies of the Exchange.

#### *Maximum Number of Common Shares Issued*

The maximum number of common shares issuable under the Share Unit Plan and in combination with all security-based compensation arrangements of the Company (including the Company’s Stock Option Plan) may not exceed 10% of the issued and outstanding common shares on a non-diluted basis, provided that, and subject to the foregoing, the maximum number of common shares issuable under the Share Unit Plan may not exceed seven (7) million common shares. For so long as the common shares are listed on the

Exchange, (i) the aggregate number of common shares issuable pursuant to Share Units granted to any one Award Eligible Person (and companies wholly owned by such Award Eligible Person) in a 12-month period must not exceed 5% of the issued and outstanding common shares on a non-diluted basis, calculated as of the date of the grant to such Award Eligible person, and (ii) for Share Units granted to employees under the Share Unit Plan, the Company and the Award Eligible Person are responsible for ensuring and confirming that the Award Eligible Person is a *bona fide* employee. Common shares covered by Share Units that expire or are forfeited, surrendered, cancelled or otherwise terminated or lapse for any reason without having been exercised or settled for common shares issued from treasury will be available for subsequent grant under the Share Unit Plan and the number of common shares available for issuance under the Share Unit Plan will not be reduced. Also, the number of common shares available for issuance increases proportionally if the number of common shares outstanding increases, subject to the fixed maximum number of common shares set out above.

### ***Directors' Recommendation***

The Board has determined that the adoption of the Share Unit Plan is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution approving the adoption of the Share Unit Plan.

### ***Shareholder Approval***

At the Meeting, shareholders will be asked to consider and, if thought appropriate, to approve, with or without variation, an ordinary resolution ratifying and approving the Share Unit Plan. Pursuant to the rules of the Exchange, the Share Unit Plan must be passed by a majority of the votes cast on the ordinary resolution by all Disinterested Shareholders at the Meeting. Should the Share Unit Plan not receive the required shareholder approval at the Meeting, the Share Unit Plan will not be adopted.

The form of resolution to be placed before shareholders at the Meeting is as follows:

**“Be it Resolved that, as an Ordinary Resolution of Disinterested Shareholders, with or without amendment:**

1. The adoption of the Company’s Share Unit Plan as described in the management information circular dated November 5, 2021, prepared in connection with this annual general meeting of shareholders, is hereby authorized, approved and ratified with or without amendment.
2. The board of directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing.”

**The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the adoption of the Share Unit Plan, unless a shareholder has specified in its proxy that its common shares are to be voted against the resolution. If no choice is specified by the shareholder to vote for or against the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution.**

### **E. Confirmation and Approval of Advance Notice Policy**

The Board has adopted an advance notice policy (the “**Advance Notice Policy**”), as publicly disclosed on November 5, 2021, the full text of which is attached to this Information Circular as Schedule “D”. In order

for the Advance Notice Policy to remain in effect following termination of the Meeting, the Advance Notice Policy must be ratified, confirmed and approved at the Meeting, as set forth more fully below.

***Purpose of the Advance Notice Policy***

The Board is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of the Advance Notice Policy is to provide shareholders, directors and management of the Company with a clear framework for nominating directors. The Advance Notice Policy fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

***Terms of the Advance Notice Policy***

The following is a summary of the Advance Notice Policy and is qualified in its entirety by the full text of the Advance Notice Policy, a copy of which is attached as Schedule “D” hereto.

The Advance Notice Policy provides that advance notice to the Company must be made in circumstances where nominations of persons for election to the board of directors are made by shareholders of the Company other than pursuant to: (i) a “proposal” made in accordance with Division 7 of the *Business Corporations Act* (British Columbia) (the “BCBCA”); or (ii) a requisition of the shareholders made in accordance with section 167 of the BCBCA.

Among other things, the Advance Notice Policy fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the corporate secretary of the Company prior to any annual or special meeting of shareholders and sets forth the specific information that a shareholder must include in the written notice to the secretary of the Company for an effective nomination to occur. No person will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Policy.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 days to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The board of directors of the Company may, in its sole discretion, waive any requirement of the Advance Notice Policy.

***Directors' Recommendation***

The Board has determined that the adoption of the Advance Notice Policy is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of the ordinary resolution approving the adoption of the Advance Notice Policy.

***Shareholder Approval***

If the Advance Notice Policy is approved at the Meeting, the Advance Notice Policy will continue to be effective and in full force and effect in accordance with its terms and conditions beyond the termination of the Meeting. Thereafter, the Advance Notice Policy will be subject to annual review by the Board and will be updated to the extent needed to reflect changes required by securities regulatory agencies or securities exchanges, or so as to meet industry standards.

If the Advance Notice Policy is not approved at the Meeting, the Advance Notice Policy will terminate and be of no further force or effect from and after the termination of the Meeting.

The form of resolution to be placed before shareholders at the Meeting is as follows:

**“Be it Resolved that, as an Ordinary Resolution:**

1. The advance notice policy (the “**Advance Notice Policy**”) of the Company as set forth in Schedule “D” to the management information circular of the Company dated November 5, 2021 be and is hereby confirmed, approved and ratified;
2. The board of directors of the Company be authorized in its absolute discretion to administer the Advance Notice Policy and amend or modify the Advance Notice Policy in accordance with its terms and conditions to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, so as to meet industry standards, or as otherwise determined to be in the best interests of the Company and its shareholders; and
3. Any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and, if appropriate, deliver all other documents and instruments and do all other things as in the opinion of such director or officer may be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action.”

The Advance Notice Policy must be approved by at least a majority of the votes cast by the shareholders present or represented by proxy at the Meeting. **The persons named in the form of proxy, if named as proxy, intend to vote such proxy in favour of the resolution to approve the adoption of the Advance Notice Policy, unless a shareholder has specified in its proxy that its common shares are to be voted against the resolution. If no choice is specified by the shareholder to vote for or against the resolution referred to above, the persons whose names are printed in the enclosed form of proxy intend to vote in favour of the resolution.**



**XVI. OTHER MATTERS TO BE ACTED UPON**

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

**XVII. ADDITIONAL INFORMATION**

Additional information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended December 31, 2020.

Shareholders wishing to obtain a copy of the Company's financial statements and Management's Discussion and Analysis may obtain them free of charge on SEDAR at [www.sedar.com](http://www.sedar.com), or may contact the Company as follows:

**NORTHISLE COPPER AND GOLD INC.**  
**Suite 1200 – 1166 Alberni St.**  
**Vancouver, B.C. V6E 3Z3**  
**Telephone: 604-638-2515**  
**Fax: 604-669-2926**  
**Website: [www.northisle.ca](http://www.northisle.ca)**

**XVIII. BOARD APPROVAL**

The content and sending of this Information Circular has been approved by the Company's Board of Directors. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED at Vancouver, British Columbia, the 5<sup>th</sup> day of November, 2021.

**ON BEHALF OF THE BOARD**

*"Sam Lee"*

**SAM LEE**

President, Chief Executive Officer and Director

## **SCHEDULE “A”**

### **NORTHISLE COPPER AND GOLD INC. (the “Company”)**

#### **AUDIT COMMITTEE CHARTER**

The Board of Directors (the “**Board**”) of Northisle Copper and Gold Inc. (the “**Corporation**”) has established an Audit Committee (the “**Committee**”). The mandate, structure, membership, responsibilities and specific duties of the Committee are described below.

#### **1. Mandate**

The Committee’s mandate is to assist the Board in:

- its oversight of the integrity of the Corporation’s financial statements;
- the Corporation’s compliance with legal and regulatory requirements and corporate policies and controls;
- the external auditor’s qualifications and independence; and
- the performance of the Corporation’s internal audit function.

#### **2. Committee Structure**

The Committee and its Chairperson shall be appointed by the Board.

The Committee shall be comprised of a minimum of at least three directors, each of whom the Board has determined are independent, considering applicable securities rules and regulations of stock exchanges.

Each member of the Committee shall be financially literate.

Quorum for any meeting shall be two members.

The Committee shall have a minimum of four meetings per year, to coincide with the Corporation’s financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate.

Members of the Committee may be removed or replaced by the Board at any time, with or without cause.

A Committee member may resign at any time by providing notice in writing. Such resignation shall take effect upon receipt thereof or at any later time specified therein.

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

#### **3. Responsibilities**

In discharging its mandate, the Committee’s responsibilities shall include the following:

##### External Auditor

- a. Review with management and the external auditor risks of material misstatement due to fraud, and the processes and controls implemented by the Corporation to manage the risks.

- b. Make recommendations to the Board and the shareholders with respect to the retention or termination of the external auditor.
- c. Recommend to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditor prior to the commencement of the engagement.
- d. Review with the external auditor the plan and scope of the audit engagement.

Financial Reporting

- e. Prior to the release of each quarterly and annual financial statements, review and discuss with management and the external auditor, the Corporation's financial statements and related management's discussion and analysis and press release.
- f. Review with management and the external auditor the accounting and reporting procedures and practices applied by the Corporation in preparing its financial statements.
- g. Review and discuss with the external auditor the results of its reviews and audit including any issues arising.
- h. Review and discuss such other relevant public disclosure containing financial information as the Committee may consider necessary or appropriate.

Internal Controls

- i. Review and discuss the effectiveness of the Corporation's internal controls over financial reporting.
- j. Review and discuss the responsibilities and effectiveness of the Corporation's internal audit function.

Risk

- k. Review and assess (i) the Corporation's policies with respect to risk assessment and risk management; (ii) the Corporation's major financial risk exposures; (iii) the steps management has taken to monitor and control such exposures, and (iv) the processes followed for assessment of internal controls over financial reporting.

Report to Board

- l. Apprise the Board promptly of significant developments in the course of performing the above duties, including reviewing with the Board any issues that arise with respect to the quality or integrity of the Corporation's financial statements or the performance of the external auditor or the internal audit function.
- m. Perform any other activities required by applicable law, rules or regulations, and take such other actions and perform and carry out any other responsibilities and duties delegated to it by the Board or as the Committee deems necessary or appropriate, consistent with its mandate and responsibilities.

**SCHEDULE "B"**

**INCENTIVE STOCK OPTION PLAN**

Please see attached.

**STOCK OPTION PLAN  
NORTHISLE COPPER AND GOLD INC.**

**1. PURPOSE OF THE PLAN**

The Company hereby establishes a stock option plan for directors, senior officers, Employees, Management Company Employees and Consultants (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"), to be known as the "Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten (10) years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the option is granted less the applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

**2. DEFINITIONS**

In this Plan, the following terms shall have the following meanings:

- 2.1 "**Associate**" means an "Associate" as defined in the TSX Policies.
- 2.2 "**Black-Out Period**" means a period of time during which, pursuant to the policies of the Company, trading in Shares or Options is prohibited or restricted.
- 2.3 "**Board**" means the Board of Directors of the Company as constituted from time to time.
- 2.4 "**Change of Control**" means the acquisition by any person and/or its Joint Actors, whether directly or indirectly, of voting securities (as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person and/or its Joint Actors, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board.
- 2.5 "**Code**" shall mean the U.S. Internal Revenue Code of 1986, as amended.
- 2.6 "**Company**" means NorthIsle Copper and Gold Inc. and its successors.
- 2.7 "**Consultant**" means a "Consultant" as defined in the TSX Policies.
- 2.8 "**Consultant Company**" means a "Consultant Company" as defined in the TSX Policies.
- 2.8 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - (b) acting as a director or officer of the Company or its subsidiaries.
- 2.9 "**Discounted Market Price**" means, in respect of Shares on a particular Grant Date, the Market Price less the maximum discount permitted by the Exchanges.
- 2.10 "**Disinterested Shareholder Approval**" means approval by a majority of the votes attaching to shares voted at a meeting of shareholders of the Company, excluding the votes attaching to shares

held by persons with an interest in the subject matter of the resolution, in accordance with TSX Policies.

- 2.11 "**Eligible Persons**" has the meaning given to that term in section 1 hereof.
- 2.12 "**Employee**" means an "Employee" as defined in the TSX Policies.
- 2.13 "**Exchanges**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.14 "**Expiry Date**" means, in respect of an Option, the date set by the Board under paragraph 3.1 of the Plan as the last date on which such Option may be exercised, as may be extended in accordance with paragraph 4.5 of the Plan.
- 2.15 "**Expiry Time**" means, in respect of an Option, 4:00pm Pacific Standard Time on the Expiry Date of such Option.
- 2.16 "**Fair Market Value**" shall mean, with respect to any property (including, without limitation, any Shares), the fair market value of such property determined by such methods or procedures as are established from time to time by the Board. Unless otherwise determined by the Board, the fair market value of a Share as of a given date will be the price at which the last recorded sale of a board lot of Shares took place on the Exchanges immediately preceding the Grant Date.
- 2.17 "**Grant Date**" means, in respect of an Option, the date on which such Option is granted, as shall be specified in the Option Agreement for such Option.
- 2.18 "**Incentive Stock Option**" shall mean an Option granted to a U.S. Participant that is intended to qualify as an "incentive stock option" within the meaning of section 422 of the Code.
- 2.19 "**Insider**" means an "Insider" as defined in the TSX Policies.
- 2.20 "**Investor Relations Activities**" means "Investor Relations Activities" as defined in the TSX Policies.
- 2.21 "**Joint Actor**" means a person "acting jointly or in concert" with another person as that phrase is interpreted in Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*.
- 2.22 "**Management Company Employee**" means a "Management Company Employee" as defined in the TSX Policies.
- 2.23 "**Market Price**" means, in respect of Shares on a particular Grant Date, the closing price per Share on the last day on which Shares were traded immediately prior to either: (a) the day on which the Company announces the grant of the Option; or (b) if the grant is not announced, on the Grant Date. If the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.24 "**Nonqualified Stock Option**" shall mean an Option granted to a U.S. Participant that is not an Incentive Stock Option.
- 2.25 "**Option**" means an option to purchase Shares granted pursuant to, or otherwise subject to, this Plan.
- 2.26 "**Option Agreement**" means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.

- 2.27 "**Optionee**" means a person holding an Option.
- 2.28 "**Option Price**" means the exercise price of an Option, being the per Share price at which the Optionee may acquire Option Shares pursuant to the exercise of such Option, such price to be specified in the Option Agreement for such Option, as may adjusted from time to time in accordance with the provisions of section 5.
- 2.29 "**Option Shares**" means the Shares which an Optionee may purchase under an Option.
- 2.30 "**Plan**" means this Stock Option Plan.
- 2.31 "**Shares**" means the common shares in the capital of the Company provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.32 "**Securities Act**" means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.33 "**10% Shareholder**" shall mean a person who owns (taking into account the constructive ownership rules under section 424(d) of the Code) more than 10% of the total combined voting power of all classes of shares of the Company (or of any parent or subsidiary of the Company within the meaning of section 424(e) and 424(f) of the Code).
- 2.34 "**TSX Policies**" means the policies included in the TSX Venture Exchange Corporate Finance Manual and "TSX Policy" means any one of them.
- 2.35 "**Unissued Option Shares**" means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.36 "**U.S. Participant**" shall mean an Optionee who is a U.S. citizen or a U.S. resident, in each case as defined in the Code, or other Optionee whose Option becomes subject to taxation under the Code.
- 2.37 "**U.S. Securities Act**" shall mean the United States *Securities Act of 1933*, as amended.
- 2.38 "**Vested**" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### **3. GRANT OF OPTIONS**

#### **3.1 Option Terms**

Pursuant to paragraph 7.3 of the Plan, the Board shall have the authority to issue Options and set the terms of Options in accordance with the terms of the Plan and applicable policies of the Exchanges.

The Board may from time to time authorize the issue of Options to Eligible Persons.

Subject to the limitations in Section 6.2(a) applicable to U.S. Participants and Section 6.3(c) applicable to Incentive Stock Options, the Option Price for each Option shall be not less than the Discounted Market Price on the Grant Date provided that if an Option is granted within 90 days of the distribution of Shares by the Company pursuant to a prospectus, the Option Price must be the greater of the Discounted Market Price and the per share price paid for Shares acquired under such distribution. The 90 day period begins: (a) on the date a final receipt is issued for the prospectus, or, in the case of an initial public offering of Shares, on the date of listing of the Shares; or (ii) in the case of a prospectus that qualifies the distribution of Shares upon the exercise of special warrants, on the date of issuance of such special warrants.

The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date, subject to the operation of paragraph 4.5. Options shall not be assignable (or transferable) by the Optionee.

### **3.2 Previously Granted Options**

In the event that on the date this Plan is implemented and effective (the "**Effective Date**") there are outstanding stock options (the "**Pre-Existing Options**") that were previously granted by the Company pursuant to any stock option plan in place prior to the Effective Date (a "**Pre-Existing Plan**"), all such Pre-Existing Options shall, effective as of the Effective Date, be governed by and subject to the terms of the Plan.

### **3.3 Limits on Shares Issuable on Exercise of Options**

At the time of grant of any Option, the aggregate number of Shares reserved for issuance under the Plan which may be made subject to Options at any time and from time to time (including those issuable upon the exercise of Pre-Existing Options) together with those Shares reserved for issuance at such time under any other established or proposed share compensation arrangement of the Company shall not exceed 10% of the total number of issued and outstanding Shares, on a non-diluted basis, as constituted on the Grant Date of such Option.

Any Shares subject to an Option which has been granted under the Plan and which has been subsequently cancelled or terminated in accordance with the terms of the Plan, without having been exercised, will again be available for issuance pursuant to the exercise of Options granted under the Plan.

The number of Shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, in any 12 month period:

- (a) to any one person, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit;
- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit;
- (c) to any one Consultant shall not exceed 2% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

### **3.4 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee.

In respect of Options granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary.

The execution of an Option Agreement by the Company shall constitute conclusive evidence that the Option issued thereunder has been awarded in compliance with this Plan.



## **4. EXERCISE OF OPTION**

### **4.1 When Options May be Exercised**

Subject to paragraphs 4.3, 4.4, 4.5 and 6.2, including, without limitation: (i) any restriction (including vesting requirements) on the number or percentage of Option Shares which may be purchased by the Optionee during any particular time period; (ii) any restriction on the exercise of Options pursuant to the requirements of a Black-Out Period or any regulatory authority having jurisdiction; and (iii) termination of the Option in accordance with the terms of the Plan, the unexercised portion of an Option may be exercised by the Optionee in whole or in part at any time after the Grant Date up to the Expiry Time and shall not be exercisable thereafter.

### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company written notice specifying the number of Option Shares in respect of which the Option is being exercised together with payment in full of the Option Price for each such Option Share by way of certified cheque, bank draft, money order or cash. Upon receipt of such notice and payment by the Company, there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Upon an Optionee exercising an Option and paying the Company the aggregate purchase price for the Option Shares in respect of which the Option has been exercised, the Company shall as soon as practicable issue and deliver a certificate representing the Shares so purchased.

### **4.3 Vesting of Option Shares**

The Board, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in paragraph 3.3 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Consultants performing Investor Relations Activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period. Notwithstanding the foregoing, in the event that a Pre-Existing Plan imposed vesting requirements on a Pre-Existing Option, such vesting requirements must be satisfied before any such Pre-Existing Options shall become Vested.

### **4.4 Ceasing to be an Eligible Person and Death**

#### **(a) Death or Disability**

If an Optionee (or: (a) in the case of an Optionee that is not an individual, the person that controls such Optionee; or (b) in the case of an Optionee that is a Consultant Company, all of the individuals who provide services to the Company or its subsidiaries on behalf of such Consultant Company) shall die, any Option held by such Optionee at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period ending on the earlier of: (a) one year after the date of death of the Optionee; and (b) the Expiry Time in respect of the Option, and then only to the extent that such Optionee was entitled to exercise the Option at the date of death of such Optionee.

If the Optionee ceases to be an Eligible Person, due to his or her Disability or, in the case of an Optionee that is a company, the Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, any Option held by such Optionee at the date of Disability shall be exercisable in whole or in part for a period ending on the earlier of: (a) one year after the date of Disability of the Optionee; and (b) the Expiry Time in respect of the Option, and then only to the extent that such Optionee was entitled to exercise the Option at the date of Disability of such Optionee.

(b) Termination For Cause

If the Optionee ceases to be an Eligible Person as a result of "termination for cause" of such Optionee by the Company or its subsidiary (or in the case of an Optionee who is a Management Company Employee or Consultant, by the Optionee's employer), as that term is interpreted by the courts of the jurisdiction in which the Optionee is employed or engaged, any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her voluntary resignation, or to his or her termination by the Company or its subsidiary other than for cause (or, in the case of an Optionee who is a Management Company Employee or a Consultant, the termination of the company providing management or consultant services to the Company or its subsidiary), any outstanding Option then held by such Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of: (i) the Expiry Time; and (ii) the date that is 90 days (or 30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of sub-paragraph 5.3(c) an Optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the Optionee's Options (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the Expiry Time of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to sub-paragraph 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to sub-paragraphs 4.4(a), (b) or (c) hereof; and (iv) the date that is two (2) years after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.

(e) Interpretation

For purposes of this paragraph 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Company or is paid salary by the Company in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

#### **4.5 Extension of Expiry Date During Black-Out Period**

If the Expiry Date in respect of any Option occurs during or within five (5) trading days following a Black-Out Period imposed by the Company, the Expiry Date of the Option shall be automatically extended to the date that is ten (10) trading days following the end of such Black-Out Period (the "**Extension Period**"); provided that if an additional Black-Out Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Black-Out Period to enable the exercise of such Options within ten (10) trading days following the end of the last imposed Black-Out Period.

#### **4.6 Effect of a Take-Over Bid**

If a *bona fide* offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges) all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then, subject to the limitations in Section 6.2(d) applicable to U.S. Participants, the Option Shares received upon such exercise, or in the case of sub-paragraph (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Company under this paragraph 4.6, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.7 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer, provided that any accelerated vesting of Options granted to *Consultants performing Investor Relations Activities* shall be subject to the prior written approval of the Exchanges. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this paragraph, except that not less than 5 business days' and not more than 35 days' notice is required.

#### **4.8 Compulsory Acquisition or Going Private Transaction**

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares of the Company pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the take-over bid.

#### **4.9 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges, if necessary.

If an Optionee elects to exercise his or her Options following a Change of Control, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Option Shares which he or she was entitled upon such exercise, the kind and amount of shares and other securities, property or cash which such Optionee would have been entitled to receive as a result of such Change of Control, on the effective date thereof, had he or she been the registered holder of the number of Option Shares to which he or she was entitled to purchase upon exercise of such Options.

#### **4.10 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company (including, in the case of a Management Company Employee or Consultant, termination of the company providing such management or consulting services to the Company or its subsidiary), the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.11 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in clause (a)(ii).

#### **5.2 Special Distribution**

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;

- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

### **5.3 Corporate Organization**

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in paragraphs 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or
- (d) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

### **5.4 Determination of Option Price and Number of Unissued Option Shares**

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

### **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchanges and any other governmental authority having jurisdiction.

## **6. OPTIONS GRANTED TO U.S. PARTICIPANTS**

### **6.1 Maximum Number of Shares for Incentive Stock Options**

Notwithstanding any other provision of this Plan to the contrary (including, but not limited to, Section 3.3), the number of Shares available for granting Incentive Stock Options under the Plan may not exceed 10% of the total number of Shares outstanding on a non-diluted basis as of the later of: (i) date this Plan is initially adopted by the Board of Directors or (ii) the date the Plan is approved (or re-approved) by the shareholders of the Company, subject to adjustment in accordance with Article 5.

### **6.2 Special Requirements for Incentive Stock Options and Nonqualified Stock Options**

The stock option agreement relating to any Option granted to a U.S. Participant shall specify whether such Option is an Incentive Stock Option or a Nonqualified Stock Option. If no such specification is made, the Option will be (a) an Incentive Stock Option if all of the requirements under the Code are satisfied or (b) in all other cases, a Nonqualified Stock Option. In addition to the other provisions of this Plan (and notwithstanding any other provision of this Plan to the contrary), the following limitations and requirements will apply to any Option granted to a U.S. Participant:

- (a) The exercise price payable per Share upon exercise of an Option will not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option;
- (b) The Company may use its reasonable efforts to ensure that any adjustment with respect to the exercise price for and number of Shares subject to an Option (including, but not limited to, the adjustments contemplated under Section 5) granted to a U.S. Participant pursuant to this Plan will be made so as to comply with, and not create any adverse consequences under, sections 424 and 409A of the Code;
- (c) With respect to any extension of an Expiry Date in accordance with paragraph 4.5 of the Plan, the term "Black-Out Period" shall mean a period of time during which, pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or rules of the Exchanges, trading in Shares or Options is prohibited or restricted; and
- (d) With respect to the right of rescission provided in Section 4.6, such right shall be limited so as to comply with, and not to create any adverse consequences under, section 409A or any other provision of the Code.

### **6.3 Special Requirements for Incentive Stock Options**

In addition to the other provisions of this Plan (and notwithstanding any other provision of this Plan to the contrary), the following limitations and requirements will apply to an Incentive Stock Option:

- (a) An Incentive Stock Option may be granted only to employees (including a director or officer who is also an employee) of the Company (or of any parent or subsidiary of the Company). For purposes of this Article 6, the term "employee" shall mean a person who is an employee for purposes of the Code and the terms "parent" and "subsidiary" shall have the meanings set forth in sections 424(e) and 424(f) of the Code;
- (b) The Company will not grant Incentive Stock Options in which the aggregate Fair Market Value (determined as of the date of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any U.S. Participant during any calendar year (under this Plan and all other plans of the Company and of any parent or subsidiary of the Company) exceeds US\$100,000 or any limitation subsequently set forth in section 422(d) of the Code;

- (c) The exercise price payable per Share upon exercise of an Incentive Stock Option will not be less than 100% of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option; provided, however, that, in the case of the grant of an Incentive Stock Option to a U.S. Participant who, at the time such Incentive Stock Option is granted, is a 10% Shareholder, the exercise price payable per Share upon exercise of such Incentive Stock Option will be not less than 110% of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option;
- (d) An Incentive Stock Option will terminate and no longer be exercisable no later than ten years after the date of grant of such Incentive Stock Option; provided, however, that in the case of a grant of an Incentive Stock Option to a U.S. Participant who, at the time such Incentive Stock Option is granted, is a 10% Shareholder, such Incentive Stock Option will terminate and no longer be exercisable no later than five years after the date of grant of such Incentive Stock Option;
- (e) If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Company (or by any parent or subsidiary of the Corporation) for any reason, whether voluntary or involuntary, other than death, permanent disability or cause, such Incentive Stock Option shall be exercisable by the U.S. Participant (to the extent such Incentive Stock Option was Vested on the date of cessation of employment) at any time prior to the earlier of (i) the date that is three months after the date of cessation of employment or (ii) the expiration of the term of such Incentive Stock Option. If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Corporation (or by any parent or subsidiary of the Corporation) because of the death or permanent disability of such U.S. Participant, such U.S. Participant, such U.S. Participant's personal representatives or administrators, or any person or persons to whom such Incentive Stock Option is transferred by will or the applicable laws of descent and distribution, may exercise such Incentive Stock Option (to the extent such Incentive Stock Option was Vested on the date of death or permanent disability, as the case may be) at any time prior to the earlier of (i) the date that is one year after the date of death or permanent disability, as the case may be, or (ii) the expiration of the term of such Incentive Stock Option. If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Company (or by any parent or subsidiary of the Company) for cause, the right to exercise such Incentive Stock Option will terminate on the date of cessation of employment, unless otherwise determined by the directors. For purposes of this Article 6, the term "permanent disability" has the meaning assigned to that term in section 422(e)(3) of the Code;
- (f) An Incentive Stock Option granted to a U.S. Participant may be exercised during such U.S. Participant's lifetime only by such U.S. Participant;
- (g) An Incentive Stock Option granted to a U.S. Participant may not be transferred, assigned or pledged by such U.S. Participant, except by will or by the laws of descent and distribution; and
- (h) No Incentive Stock Option will be granted more than ten years after the earlier of the date this Plan is adopted by the Board or the date this Plan is approved by the shareholders of the Company.

## **7. MISCELLANEOUS**

### **7.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

## **7.2 Necessary Approvals**

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested Shareholder Approval (as required by the Exchanges) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

## **7.3 Administration of the Plan**

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in paragraph 5.4, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

## **7.4 Withholding Taxes**

The exercise of each Option granted under the Plan is subject to the condition that if at any time the Company determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Company. In such circumstances, the Company may require that an Optionee pay to the Company, in addition to and in the same manner as the exercise price for the Shares, such amount as the Company is obliged to remit to the relevant taxing authority in respect of the exercise of the Option or, alternatively, the Company shall have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares acquired upon exercise of any Option, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee by the Company, whether or not such amounts are payable under the Plan.

## **7.5 Amendments to the Plan**

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders, the Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

## **7.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

## **7.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.



## **7.8 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

## **7.9 No Assignment**

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

## **7.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

## **7.11 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

## **7.12 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

## **7.13 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

## **7.14 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

## SCHEDULE "A"

### NORTHISLE COPPER AND GOLD INC.

#### STOCK OPTION PLAN - OPTION AGREEMENT

[The following legend is required in respect of Options with an Option Price based on the Discounted Market Price: *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●, 20● [four months and one day after the date of grant].*]

This Option Agreement is entered into between NorthIsle Copper and Gold Inc. (the "Company") and the Optionee named below pursuant to the Company's Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on ●, 20● (the "Grant Date");
2. ● (the "Optionee");
3. was granted the option (the "Option") to purchase ● Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$● per share; **[For U.S. Participants, Option Price may not be less than Fair Market Value as of the Grant Date]**
5. which shall be exercisable immediately commencing on the Grant Date [OR set forth applicable vesting schedule];
6. terminating on the ●, 20● (the "Expiry Date");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

The Optionee acknowledges that any Option Shares received by him upon exercise of the Option have not been registered under the United States *Securities Act of 1933*, as amended, or the Blue Sky laws of any state (collectively, the "**Securities Acts**"). The Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Acts, the Option Shares received by him or to assist him in complying with any exemption from such registration if he should at a later date wish to dispose of the Option Shares. **[Following to be included in Option Agreements with "U.S. Persons"** - The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

*"The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company."*

To the extent that the Option is potentially subject to taxation under either Canada or the U.S. or both jurisdictions, the Optionee acknowledges that the Optionee has had adequate opportunity to obtain advice of independent tax counsel with respect to the tax treatment of the Option (including federal, state and provincial, as applicable). Furthermore, non-U.S. Optionees who are granted Options that are not subject to the restrictions applicable to U.S. Participants but who subsequently become subject to U.S. source income are strongly encouraged to seek advice of independent tax counsel to determine the applicability of U.S. tax law to such Options.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

#### **Acknowledgement – Personal Information**

The Optionee hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, 20●.

**NORTHSLE COPPER AND GOLD INC.**

\_\_\_\_\_  
Signature

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_

**SCHEDULE "C"**

**SHARE UNIT PLAN**

Please see attached.

# NORTHISLE COPPER AND GOLD INC.

## SHARE UNIT PLAN

### PART 1. PURPOSE

#### 1.1 Purpose

This Share Unit Plan provides for the potential acquisition of Common Shares by Participants for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key employees and directors of the Corporation and the Designated Affiliates and to secure for the Corporation and the shareholders of the Corporation the benefits inherent in the ownership of Common Shares by key employees and directors of the Corporation and the Designated Affiliates, it being generally recognized that share unit plans can aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

### PART 2. DEFINITIONS AND INTERPRETATION

#### 2.1 Definitions

In this Plan:

"**Acceleration Event**" has the meaning attributed to it in section 9.1.

"**Applicable Withholding Taxes**" means any taxes, source deductions or other amounts that the Corporation is required by law to withhold from any amounts to be paid or credited or to remit to any governmental entity in connection with the grant or settlement of an Award under this Plan.

"**Award**" means any Deferred Share Unit, Restricted Share Unit or Performance Share Unit granted under this Plan.

"**Award Agreement**" means an agreement evidencing an Award, including a DSU Agreement, RSU Agreement or PSU Agreement.

"**Board**" means the board of directors of the Corporation.

"**Business Day**" means a day on which the Exchange is open for trading, provided that if the Common Shares are not listed on a stock exchange, means any day, other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia.

"**Committee**" means the Directors of the Board or any committee of the Board that the Board may designate to administer this Plan.

"**Common Shares**" means the common shares of the Corporation.

"**Consultant**" has the meaning given to that term in Policy 1.1 – *Interpretation* of the TSX Venture Exchange.

"**Corporation**" means Northisle Copper and Gold Inc., a corporation existing under the *Business Corporations Act* (British Columbia), and any successor thereof.

**“Date of Grant”** means the date an Award is granted to a Participant as set out in the Participant’s Award Agreement.

**“Deferred Share Unit”** or **“DSU”** means an Award described in section 5.1.

**“Designated Affiliates”** means the affiliates of the Corporation designated by the Committee for purposes of this Share Unit Plan from time to time.

**“Directors”** means the directors of the Corporation from time to time.

**“Disability”** means a long-term disability, as determined by the Board.

**“Discounted Market Price”** has the meaning given to that term in Policy 1.1 – *Interpretation* of the TSX Venture Exchange.

**“Disinterested Shareholders”** means all Shareholders of the Corporation, excluding Shareholders eligible to receive grants pursuant to this Plan and their affiliates and associates.

**“DSU Agreement”** means an agreement between the Corporation and a Participant evidencing an Award of DSUs.

**“DSU Termination Date”** means the date on which a Participant who holds DSUs ceases to hold any position as an officer, employee, or director of the Corporation or any of the Designated Affiliates.

**“Eligible Director”** has the meaning attributed to it in section 5.1(1).

**“Eligible Employee”** means employees and officers, whether Directors or not, of the Corporation or any Designated Affiliate, provided that such employees and officers are either individuals who are considered employees under the Income Tax Act (Canada) or individuals who work full-time, or on a continuing and regular basis for a minimum amount of time per week, for the Corporation or a Designated Affiliate providing services normally provided by an employee and who are subject to the same control and direction by the Corporation or a Designated Affiliate over the details and methods of work as an employee of the Corporation or a Designated Affiliate, but for whom income tax deductions are not made at source.

**“Employment Contract”** means any contract between the Corporation or any Designated Affiliate and any Eligible Employee or Eligible Director relating to, or entered into in connection with, the employment or departure of the Eligible Employee or the appointment, election or departure of the Eligible Director or any other agreement to which the Corporation or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Corporation or the termination of employment, appointment, election or engagement of such Participant.

**“Exchange”** means the TSX Venture Exchange, or, if the Common Shares are not then listed on the TSX Venture Exchange, such other principal market on which the Common Shares are then traded as designated by the Committee from time to time.

**“Fair Market Value”** of the Common Shares on any date means:

- (a) if the Common Shares are listed on an Exchange, the volume-weighted average trading price of the Common Shares on the Exchange with the greatest volume of trading over the applicable period, for the five trading days before the relevant date or, if there is no reported sale price at which the Common Shares traded on an Exchange during such period, the average of the closing bid and ask prices (on the Exchange with the narrowest such bid-ask spread) for the trading day immediately before the relevant date; and
- (b) if the Common Shares are not listed on an Exchange, the value as determined by the Board in good faith;

provided that at no time shall the Fair Market Value price be less than the Discounted Market Price.

**“Filing Date”** has the meaning attributed to it in subsection 5.5(1).

**“Insider”** has the meaning given to such term in the policies of the TSX Venture Exchange.

**“Investor Relations Activities”** has the meaning given to that term in Policy 1.1 – *Interpretation* of the TSX Venture Exchange.

**“Investor Relations Service Providers”** has the meaning given to that term in Policy 1.1 – *Interpretation* of the TSX Venture Exchange.

**“Management Company Employee”** has the meaning given to that term in Policy 1.1 – *Interpretation* of the TSX Venture Exchange.

**“Outstanding Issue”** means the number of Common Shares issued and outstanding from time to time (on a non-diluted basis).

**“Participant”** means each Eligible Director and Eligible Employee.

**“Performance Goals”** means the goals established by the Board (based on one or more Performance Measures) as part of the terms of an Award.

**“Performance Measures”** means the measures (other than the mere continuation of employment or passage of time) established by the Board to determine Performance Goals, which may include measures related to financial or operational matters at the Corporation, a Designated Affiliate or the Corporation and one or more Designated Affiliates, shareholder returns and individual performance criteria.

**“Performance Period”** means the period established by the Board for which the achievement of Performance Goals is assessed or determined.

**“Performance Share Unit”** or **“PSU”** means an Award described in section 7.1.

**“Performance Vesting Conditions”** means any Performance Goals established by the Board as conditions to the vesting of Awards.

**“person”** means an individual, corporation, company, cooperative, sole proprietorship, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, trust, trustee, executor, administrator, legal personal representative, estate, unincorporated association, organization or syndicate, entity with juridical personality or governmental authority or body, or other entity, whether or not having legal status, however designated or constituted, and pronouns which refer to a person shall have a similarly extended meaning.

**“PSU Agreement”** means an agreement between the Corporation and a Participant evidencing an Award of PSUs.

**“PSU Vesting Date”** has the meaning attributed to it in section 7.3.

**“Plan”** means this Share Unit Plan, as amended or restated from time to time.

**“Restricted Share Unit”** or **“RSU”** means an Award described in section 6.1.

**“Retire”** or **“Retirement”** means retirement from active employment with the Corporation or a Designated Affiliate at or after age 65 or in other circumstances (such as years of service) as determined by the Board to constitute retirement for purpose of this Plan.

**“RRIF”** means a “registered retirement income fund” (as defined in the *Income Tax Act (Canada)*).

**“RRSP”** means a “registered retirement savings plan” (as defined in the *Income Tax Act (Canada)*).

**“RSU Agreement”** means an agreement between the Corporation and a Participant evidencing an Award of RSUs.

**“RSU Vesting Date”** has the meaning attributed to it in section 6.3.

**“Security Based Compensation Arrangement”** means an option, option plan, security based appreciation right, employee unit purchase plan, restricted, performance of deferred unit plan, long-term incentive plan or any other compensation or incentive mechanism, in each case, involving the issuance or potential issuance of Common Shares to one or more directors or officers of the Corporation or a Subsidiary of the Corporation, current or past full-time or part-time employees of the Corporation or a Subsidiary of the Corporation, Insiders or Consultants of the Corporation or any Subsidiary of the Corporation including a Share purchased from treasury by one or more officers, directors or officers of the Corporation or any Subsidiary of the Corporation, current or past full-time or part-time employees of the Corporation or a Subsidiary of the Corporation, Insiders or Consultants of the Corporation or a Subsidiary of the Corporation which is financially assisted by the Corporation or a Subsidiary of the Corporation by way of a loan, guarantee or otherwise, but a Security Based Compensation Arrangement does not include an arrangement that does not involve the issuance from treasury or potential issuance from treasury of Common Shares or other equity securities of the Corporation.

**“Subsidiary”** means, in respect of a person, another person that is controlled directly or indirectly by such person and includes a Subsidiary of that Subsidiary.



**“Termination Date”** means the last day on which the Participant actively renders services to the Corporation or a Designated Affiliate where it is reasonably expected that no further services will be performed (and excluding any period of statutory, contractual or reasonable notice of termination of employment or any period of salary continuance or deemed employment, except as otherwise expressly required by applicable employment standards legislation), including by reason of death or Disability, but, for greater certainty, a Participant’s absence from active work during a period of vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability shall not be considered to result in a Termination Date.

**“TFSA”** means a “tax-free savings account” (as defined in the *Income Tax Act* (Canada)).

## **2.2 Interpretation**

(1) References to a “Part”, “section”, “subsection”, “paragraph” or “clause” mean to the specified Part, section, subsection, paragraph or clause of this Plan unless otherwise described.

(2) The table of contents and headings are included for convenience of reference and do not affect the interpretation of this Plan.

(3) Words importing the singular include the plural and *vice versa*.

(4) The words “include” or “including” mean include or including without limitation.

(5) References to a statute, regulation, rule, code, national instrument or policy statement or to a particular section of one of them mean to that statute, regulation, rule, code, national instrument, policy statement or section as amended or superseded from time to time (unless specified otherwise) and references to a statute include any regulations, rules, national instruments or policy statements enacted under that statute.

(6) Where an individual has transferred an Award to an RRIF, RRSP or TFSA or to a corporation of which the individual is the annuitant or (as applicable) the sole shareholder, the individual will be the Participant for the purpose of the definition of “Termination Date” and for the purpose of the death, Disability or Retirement of the Participant.

## **2.3 Governing Law**

The Plan is governed by and will be construed in accordance with British Columbia law, regardless of the citizenship, residence or place of organization of a Participant.

## **2.4 Submission to Jurisdiction**

The Corporation and each Participant submits to the exclusive jurisdiction of the courts of competent jurisdiction of British Columbia with respect to any action or proceeding arising out of relating in any way to this Plan or any Award Agreement or Award.

## **PART 3. ADMINISTRATION**

### **3.1 Discretion and Authority**

(1) Subject to section 3.2, the Board has the sole and absolute discretion and authority to administer and interpret this Plan, the Award Agreements and the Awards, including:

- (a) to determine the Participants to whom Awards may be granted;
- (b) to grant Awards and determine their terms, including (i) the number of Awards to be granted, (ii) the timing of grants, including the Date of Grant, (iii) restrictions on transfer, (iv) any vesting schedule, terms, limitations, restrictions and conditions applicable to Awards, (v) approving the form of any Award Agreement (not inconsistent with this Plan) to evidence an Award and (vi) the waiver or amendment of any terms of Awards, including expiration of any Awards, accelerating the vesting of any Awards, or, subject to the approval of the Exchange where required, substituting other property on the payment or settlement of any Awards;
- (c) to establish, amend and rescind any regulations, rules or guidelines relating to this Plan; and
- (d) to make any other determinations, settle any disputes or take any other action necessary or desirable for the administration of this Plan or any Award Agreement or Award.

(2) Without limiting subsection (1), the Board, in its discretion, may correct any defect or omission or reconcile any inconsistencies in this Plan or any Award Agreement or Award.

(3) The Board's decision with respect to any matter related to this Plan will be conclusive and binding on the Corporation, the Designated Affiliates and all Participants.

(4) The Board's discretion and authority is subject to any mandatory requirements of the Exchange.

### **3.2 Delegation and Liability**

(1) The Board may delegate to the Committee all or some of its powers under this Plan and on other terms as the Board may determine. In that case, references to the "Board" will be deemed to be references to the Committee, to the extent such powers have been delegated. The Board (or the Committee) may delegate the day-to-day administration of this Plan to any one or more officers of the Corporation.

(2) None of the members of the Board or the Committee or any other person acting pursuant to authority delegated by the Board or the Committee will be liable for any action taken (or omitted to be taken) or determination made (or not made) in good faith in connection with this Plan or any Award.

### 3.3 Eligibility

All Participants are eligible to participate in this Plan, but eligibility does not confer any right to be granted an Award, which remains in the sole discretion of the Board. Further, the grant of an Award to a Participant shall not entitle such Participant to a future grant of an Award of the same or a different type.

### 3.4 Common Shares Subject to this Plan

(1) The maximum number of Common Shares issuable under this Plan and any other Security Based Compensation Arrangement may not exceed 10% of the Outstanding Issue, provided that, and subject to the foregoing, the maximum number of Common Shares issuable under this Plan pursuant to Awards may not exceed seven (7) million Common Shares.

(2) The Board may not grant an Award that can be settled by an issuance of Common Shares from treasury if it would have the effect of causing the total number of Common Shares subject to that Award to exceed the total number of Common Shares determined under subsection (1).

(3) For as long as the Common Shares are listed on the TSX Venture Exchange:

- (a) the aggregate number of Common Shares issuable pursuant to the Corporation's Stock Option Plan, this Plan and any other security based compensation plan (collectively, the "**Plans**") granted to any one Participant (and companies wholly owned by such Participant) in a 12-month period must not exceed 5% of the Outstanding Issue, calculated as of the Date of Grant to such Participant;
- (b) the aggregate number of Common Shares issuable pursuant to the Corporation's Plans granted or issued in any 12 month period to any one Consultant must not exceed 2% of the Issued Shares of the Issuer, as calculated as at the date any security based compensation is granted or issued to the Consultant;
- (c) Investor Relations Service Providers may not receive any Awards pursuant to this Plan; and
- (d) for Awards granted to Eligible Employees, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a *bona fide* employee.

### 3.5 Insider Participation Limits

(1) The maximum number of Common Shares issuable under this Plan and any other Security Based Compensation Arrangement to Insiders at any time may not exceed in the aggregate 10% of the Outstanding Issue.

(2) The maximum number of Common Shares issued under this Plan and any other Security Based Compensation Arrangement to Insiders within any one-year period may not exceed in the aggregate 10% of the Outstanding Issue.

### **3.6 Transfers**

(1) A Participant may not transfer or assign an Award, including by operation of law, except on the death of the Participant, by will or applicable laws of succession, provided that, subject to applicable law, a Participant may designate in writing (on terms specified by the Corporation) a beneficiary to receive any benefits that are payable under this Plan and any Award on death.

(2) A Participant may not grant a security interest in, pledge or otherwise encumber an Award.

(3) Any breach of subsection (1) or (2) will result in the Award being void.

### **3.7 Exercise of Awards**

Awards may be exercised only by:

- (a) the Participant to whom the Awards were granted;
- (b) the legal representative of a Participant's estate or other relevant person under subsection 3.6(1), for up to one year after the Participant's death; and
- (c) on the Participant's incapacity, the legal representative having authority to deal with the Participant's property.

### **3.8 Common Shares**

Common Shares issued by the Corporation in accordance with this Plan and the Award Agreements will be issued as fully paid and non-assessable.

### **3.9 Fractional Shares**

The Corporation is not required to issue any fractional Common Share or Award.

## **PART 4. GRANT OF AWARDS**

### **4.1 General**

Subject to the terms of this Plan, the Board, in its discretion, may grant Awards to Participants on terms determined by the Board. Each grant will be evidenced by an Award Agreement. Any officer of the Corporation is authorized, on behalf of the Corporation, to execute and deliver an Award Agreement to each Participant to whom Awards have been granted.

Grants and issuances of Awards to a Director or Officer of the Issuer and any amendment to any of the foregoing, must be disclosed to the public by way of a news release on the day this Plan is implemented or amended or on the day the Award is granted, issued or amended.

### **4.2 Restrictions on Grants**

The Board will not grant any Awards (other than DSUs) to directors of the Corporation or a Designated Affiliate who are not also employees of the Corporation or a Designated Affiliate.

### 4.3 Blackout Periods and Automatic Extensions

(1) The expiry date, redemption date or settlement date, as applicable, of the Awards granted pursuant to this Plan, may be automatically extended, if such date falls within a period (a “**Blackout Period**”) during which the Issuer prohibits Participants from exercising, redeeming or settling their Awards. The following requirements are applicable to any such automatic extension:

- (a) The Blackout Period must be formally imposed by the Issuer pursuant to the Corporation’s internal trading policies as a result of the bona fide existence of undisclosed Material Information. For greater certainty, in the absence of the Issuer formally imposing a Blackout Period, the expiry date, redemption date or settlement date, as applicable, of any Awards will not be automatically extended;
- (b) The Blackout Period must expire following the general disclosure of the undisclosed Material Information. The expiry date, redemption date or settlement date, as applicable, of the affected Awards can be extended to no later than ten (10) business days after the expiry of the Blackout Period;
- (c) An automatic extension of a Participant’s Award will not be permitted where the Participant or the Issuer is subject to a cease trade order (or similar order under Securities Laws) in respect to the Issuer’s securities; and
- (d) An automatic extension is available to all eligible Participants under this Plan under the same terms and conditions.

## PART 5. DEFERRED SHARE UNITS

### 5.1 Nature of DSUs

(1) A DSU is an Award attributable to a Participant’s duties as a non-executive director of the Corporation or a Designated Affiliate and who is not otherwise an employee of the Corporation or a Designated Affiliate (an “**Eligible Director**”). Each DSU entitles the Eligible Director to receive one Common Share or the cash equivalent (or a combination of the two) and is payable after the Eligible Director experiences a DSU Termination Date.

(2) Notwithstanding any other provision of the Plan, the value of a DSU shall always depend on the value of the Common Shares for purposes of the *Income Tax Act* (Canada) and no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional DSUs will be granted to any Participant to compensate for a downward fluctuation in the price of the Common Shares nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

### 5.2 Election

(1) Subject to any alternative arrangements approved by the Board, each Eligible Director may elect to receive all or part of his or her annual compensation in DSUs by giving notice to that effect to the Corporation by December 15 of the year preceding the year with respect to which the election applies. Where an individual becomes a director for the first time during a year, he or she must make the election with 30 days after becoming an Eligible Director, in which case the election will only apply to periods after the election.

(2) Each election is irrevocable by the Eligible Director with respect to compensation earned during the period to which the election relates.

### **5.3 Number of DSUs**

Each Participant will receive that number of DSUs equal to the quotient of (i) and (ii), where (i) is the dollar amount of compensation payable in DSUs on the date the compensation is payable and (ii) is the Fair Market Value of the Common Shares on the date of payment, rounded down to the nearest whole number.

### **5.4 Vesting of DSUs**

Unless specified otherwise in the applicable DSU Agreement, DSUs will vest on the date that is one year following the Date of Grant. No DSUs issued pursuant to this Plan may vest before the date that is one year following the Date of Grant.

### **5.5 Settlement of DSUs**

(1) Following a Participant's DSU Termination Date, all vested DSUs will settle on the date that is 30 days following the DSU Termination Date (the date the notice is given or deemed to have been given is the "**Filing Date**").

(2) The Corporation will pay the amount required to settle the DSUs as soon as practicable but not more than 30 days after the Filing Date, in its discretion by:

- (a) issuing to the Participant from treasury that number of Common Shares equal to the number of DSUs being settled;
- (b) delivering to the Participant that number of outstanding Common Shares equal to the number of DSUs being settled;
- (c) delivering to the Participant an amount in cash equal to the Fair Market Value of the number of Common Shares equal to the number of DSUs being settled; or
- (d) a combination of (a), (b) or (c).

### **5.6 DSU Account**

The Corporation will maintain an account for each Participant and credit the account with the number of DSUs granted to the Participant and cancel any DSUs that are not paid out or fail to vest and record their cancellation in the account.

### **5.7 Additional DSUs**

Subject to the Board's approval, if the Corporation pays a cash dividend on the Common Shares, the Corporation will credit the account of each Participant who holds DSUs as of the record date with an additional number of DSUs. The number of additional DSUs to be credited (to be determined as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of DSUs held by the Participant on the relevant record date and (2) the amount of the dividend paid by the Corporation on each Common Share, and (ii)

is the Fair Market Value of the Common Shares on the dividend payment date. These additional DSUs will be subject to the same vesting conditions as apply to the related DSUs.

## **PART 6. RESTRICTED SHARE UNITS**

### **6.1 Nature of RSUs**

An RSU is an Award that generally becomes vested (if at all) following a period of continuous employment or other service relationship with the Corporation or a Designated Affiliate and entitles the Participant to receive one Common Share for each RSU or the cash equivalent (or a combination of the two).

### **6.2 Vesting Period**

The Board will determine the vesting period applicable to an RSU, provided that the RSUs may not vest (i) prior to one year following the Date of Grant; and (ii) more than three years after the Date of Grant.

### **6.3 Vesting of RSUs**

RSUs will vest at the end of the applicable vesting period, unless specified otherwise in the applicable RSU Agreement (the "**RSU Vesting Date**"). No RSUs issued pursuant to this Plan may vest before the date that is one year following the Date of Grant.

### **6.4 Settlement of RSUs**

The Corporation will pay the amount required to settle all vested RSUs as soon as practicable but not more than 30 days after the end of the applicable RSU Vesting Date, in its discretion by:

- (a) issuing to the Participant from treasury that number of Common Shares equal to the number of RSUs being settled;
- (b) delivering to the Participant that number of outstanding Common Shares equal to the number of RSUs being settled;
- (c) delivering to the Participant an amount in cash equal to the Fair Market Value of the number of Common Shares equal to the number of RSUs being settled; or
- (d) a combination of (a), (b) or (c).

Notwithstanding any other section of this Plan, all RSUs will be settled and paid within three years following the end of the year in which the Date of Grant occurs.

### **6.5 RSU Account**

The Corporation will maintain an account for each Participant's and credit the account with the number of RSUs granted to the Participant and cancel any RSUs that are not paid out or fail to vest and record their cancellation in the account.

## **6.6 Additional RSUs**

Subject to the Board's approval, if the Corporation pays a cash dividend on the Common Shares, the Corporation will credit the account of each Participant who holds RSUs as of the record date with an additional number of RSUs. The number of additional RSUs to be credited (as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of RSUs held by the Participant on the relevant record date and (2) the amount of the dividend paid by the Corporation on each Common Share, and (ii) is the Fair Market Value of the Common Shares on the dividend payment date. These additional RSUs will be subject to the same vesting conditions as apply to the related RSUs.

## **PART 7. PERFORMANCE SHARE UNITS**

### **7.1 Nature of PSUs**

A PSU is an Award granted to a Participant that is generally conditioned on the achievement of Performance Goals over a Performance Period, subject to satisfying the Performance Vesting Conditions, and that entitles the Participant to receive one Common Share for each PSU or the cash equivalent (or a combination of the two).

### **7.2 Performance Period**

The Board will determine the Performance Period applicable to a PSU, provided that the PSUs may not vest (i) prior to one year following the Date of Grant; and (ii) more than three years after the Date of Grant.

### **7.3 Vesting of PSUs**

PSUs will vest on the achievement of the applicable Performance Vesting Conditions at the end of the applicable Performance Period unless specified otherwise in the applicable PSU Agreement (the "**PSU Vesting Date**"). No PSUs issued pursuant to this Plan may vest before the date that is one year following the Date of Grant.

### **7.4 Settlement of PSUs**

The Corporation will pay the amount required to settle all vested PSUs as soon as practicable but not more than 30 days after the end of the applicable PSU Vesting Date, in its discretion by:

- (a) issuing to the Participant from treasury that number of Common Shares equal to the number of PSUs being settled;
- (b) delivering to the Participant that number of outstanding Common Shares equal to the number of PSUs being settled;
- (c) delivering to the Participant an amount in cash equal to the Fair Market Value of the number of Common Shares equal to the number of PSUs being settled; or
- (d) a combination of (a), (b) or (c).



Notwithstanding any other section of this Plan, all PSUs will be settled and paid within three years following the end of the year in which the Date of Grant occurs.

### **7.5 PSU Account**

The Corporation will maintain an account for each Participant's Account and credit the account with the number of PSUs granted to the Participant and cancel any PSUs that are not paid out or fail to vest and record their cancellation in the account.

### **7.6 Additional PSUs**

Subject to the Board's approval, if the Corporation pays a cash dividend on the Common Shares, the Corporation will credit the account of each Participant who holds PSUs as of the record date with an additional number of PSUs. The number of additional PSUs to be credited (as of the dividend payment date) will be equal to the quotient of (i) and (ii), where (i) is the product of (1) the aggregate number of PSUs held by the Participant on the relevant record date and (2) the amount of the dividend paid by the Corporation on each Common Share, and (ii) is the Fair Market Value of the Common Shares on the dividend payment date. These additional PSUs will be subject to the same vesting conditions as apply to the related PSUs.

## **PART 8. TERMINATION OF PARTICIPANTS**

### **8.1 Application of Part 8**

This Part applies to all Participants other than Eligible Directors. All rights or entitlements of a Participant under the Plan, upon a termination of employment for any reason shall be subject to section 8.4.

### **8.2 Termination of Employment**

(1) If a Participant's employment or office with the Corporation or a Designated Affiliate is terminated, or if the Participant resigns or Retires, then:

- (a) any unvested Awards held by the Participant on the Termination Date will be dealt with in accordance with the terms set out in the applicable Award Agreement, which Award Agreement will provide that unvested Awards either:
  - (A) automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards; or
  - (B) automatically vest.
- (b) in the case of any vested Awards held by the Participant on the Termination Date, the Corporation will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

### **8.3 Death or Disability**

If a Participant dies or has a Termination Date in connection with a Disability, then:

- (a) any unvested Awards held by the Participant on the Termination Date will vest on a proportionate basis based on the number of Awards available to vest in the vesting period in which the Termination Date occurs and the ratio that (i) the period from the (1) Date of Grant or (2) last vesting date, as applicable, to the Termination Date is to (ii) the period from the (1) Date of Grant or (2) last vesting date, as applicable, to the next vesting date, and any other unvested Awards will automatically terminate on the Termination Date and the Participant will cease to have any rights in relation to those Awards; and
- (b) in the case of any vested Awards held by the Participant on the Termination Date, the Corporation will settle those Awards as soon as practicable after the Termination Date in accordance with this Plan.

#### **8.4 No Right to Compensation on Forfeiture**

For clarification and without limitation, no Participant or former Participant shall be entitled to any current or future Award or any other benefit, payment or right otherwise arising from the Plan after his or her Termination Date except as provided in this Part 8, or as otherwise determined by the Board or as expressly required by the minimum applicable requirements contained in applicable employment standards legislation. No damages or compensation shall be payable to any person in respect of any Award that is not granted, paid, exercised or settled due to a Participant ceasing to actively render services to the Corporation or a Designated Affiliate for any reason, regardless of whether the Participant's employment is terminated by the Corporation or a Designated Affiliate, lawfully or unlawfully, or whether the Participant's employment is terminated voluntarily by the Participant or involuntarily, except as otherwise expressly required by applicable employment standards legislation.

In addition, except as specifically provided in this Part 8 or as otherwise determined by the Board, or as expressly required by applicable employment standards legislation, effective as of a Participant's Termination Date, the Participant shall forfeit all rights and have no entitlements with respect to any outstanding Awards that would vest, or become payable, exercisable or be settled after such date, and for greater certainty, the Participant shall be disentitled to damages as compensation for the loss of the opportunity to vest in respect of any outstanding Awards or receive any payment or Common Shares or other compensation that may or would have been paid or issued in respect of an Award during any applicable period of notice of termination of employment, under common law, contract or otherwise, except as expressly required by the minimum applicable requirements contained in applicable employment standards legislation.

#### **8.5 Expiry of Awards**

Any Awards granted or issued to any Participant who is a Director, Officer, Employee, Consultant or Management Company Employee must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an eligible Participant under this Plan.

#### **8.6 Other**

In connection with a Participant's termination of employment, the Corporation may acquire, settle or redeem Awards for cancellation on terms other than those prescribed in an Award Agreement on terms separately agreed by the Board and the applicable Participant.

## **PART 9. CHANGE OF CONTROL**

### **9.1 Effect of a Change of Control**

In the event that:

- (a) the Corporation seeks or intends to seek approval from the shareholders of the Corporation for a transaction which, if completed, would constitute an Acceleration Event (as defined below); or
- (b) a person makes a bona fide offer or proposal to the Corporation or the shareholders of the Corporation which, if accepted or completed, would constitute an Acceleration Event,

the Corporation may send notice to all Participants of such transaction, offer or proposal and (i) the Board may, by resolution and notwithstanding any vesting schedule applicable to any Award permit all Awards outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Award), so that the Participant may participate in such transaction, offer or proposal, and (ii) the Board may accelerate the expiry date of such Awards and the time for the fulfillment of any conditions or restrictions on such exercise to an earlier date chosen by the Board in its unfettered discretion.

An “**Acceleration Event**” means:

- (a) the acquisition by any "offeror" (as defined in National Instrument 62-104 Takeover Bids and Issuer Bids) of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (b) any consolidation, merger, statutory amalgamation or arrangement involving the Corporation and pursuant to which the Corporation will not be the continuing or surviving corporation or pursuant to which the Common Shares will be converted into cash or securities or property of another entity, other than a transaction involving the Corporation and in which the shareholders of the Corporation immediately prior to the completion of the transaction will have the same proportionate ownership of the surviving corporation immediately after the completion of the transaction;
- (c) a separation of the business of the Corporation into two or more entities;
- (d) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation to another entity; or
- (e) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

## **9.2 Powers of the Board**

If there is an Acceleration Event, the Board may (i) make any changes to the terms of the Award Agreements and Awards as it considers fair and appropriate in the circumstances, (ii) otherwise modify the terms of the Awards to assist the Participants in participating in the transaction leading to the Acceleration Event and (iii) terminate, conditionally or otherwise, the Awards not exercised or settled, as applicable, following successful completion of the Acceleration Event.

## **PART 10. AMENDMENTS AND TERMINATION**

### **10.1 Amendments and Termination**

(1) The Board may amend (subject to the following provisions of this section 10.1), suspend or terminate this Plan and any Award Agreement and outstanding Awards, or any part of this Plan or any Award Agreement or Award, at any time and for any purpose, without notice to or prior approval of any person, including the shareholders of the Corporation, except where required by law, including the rules, regulations and policies of the Exchange .

(2) Without limiting subsection (1), but subject to subsections (3) and (4), the Board may make the following types of changes or amendments to this Plan or any Award Agreement or Award without seeking shareholder approval:

- (a) amendments of a “housekeeping” or administrative nature, including any amendment to cure any ambiguity, error or omission in this Plan or any Award Agreement or to correct or supplement any provision of this Plan or any Award Agreement that is inconsistent with any other provision of this Plan or other Award Agreement;
- (b) amendments necessary to comply with applicable laws or regulations, including the rules, regulations and policies of the Exchange;
- (c) amendments necessary for this Plan or any Awards to comply with or to qualify for favourable treatment under applicable tax laws or regulations;
- (d) amendments or changes to the process by which any Participant is entitled to exercise any Award, including to the form of notice of exercise of any Award, and the place where those notices are to be delivered;
- (e) amendments to, or waivers of, the vesting provisions or other conditions of this Plan or any Award;
- (f) amendments to the termination or early termination provisions of any Award (including any Award held by an Insider) that does not entail an extension beyond the original expiry date of that Award;
- (g) amendments to change any restrictions on the entitlement to or eligibility for Awards; and
- (h) amendments necessary to suspend or terminate this Plan or any Award Agreement or Awards.

- (3) Disinterested Shareholder Approval will be required for the following amendments:
- (a) amendments to the number of Common Shares issuable under this Plan;
  - (b) amendments to remove or increase the insider participation limits in section 3.5;
  - (c) amendments to remove or increase the participation limits in section 3.4(3) while the Common Shares are listed on the TSX Venture Exchange;
  - (d) amendments to extend the term of an Award held by an Insider beyond the original expiry date;
  - (e) amendments to the transferability or assignability of an Award pursuant to subsection 3.6(1);
  - (f) amendments to the amendment provisions in this subsection (3); and
  - (g) amendments required to be approved by shareholders under applicable law or regulations, including the rules, regulations and policies of the Exchange.

(4) Except as permitted in this Plan or any Award Agreement, or as required, in the opinion of the Board acting reasonably, for purposes of compliance with applicable law or regulatory requirements, no action of the Board or shareholders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any Award previously granted to the affected Participant.

## **PART 11. GENERAL**

### **11.1 Capital Adjustments**

If there is any change in the capital of the Corporation affecting the Common Shares, including as a result of a stock split or consolidation, combination or exchange of shares, merger, amalgamation, spin-off or other special distribution (other than distributions or cash dividends in the ordinary course) of the Corporation's assets to shareholders, the Board, in its discretion and with prior written acceptance of the Exchange, may make any adjustments it determines to be appropriate to reflect that change (for the purpose of preserving the value of the Awards or the rights of Participants) including to (i) the number or kind of shares or other securities reserved for issuance under this Plan, and (ii) the number of Awards held by the Participants.

### **11.2 Unsecured Obligations**

The Corporation's obligations under this Plan and the Awards are unsecured obligations and Participants will not have any greater rights than those of an unsecured general creditor of the Corporation.

### **11.3 Successors and Assigns**

This Plan is binding on all successors and permitted assigns of the Corporation and Designated Affiliates and each Participant, including the legal representative of a Participant, or any receiver

or trustee in bankruptcy or representative of the creditors of the Corporation, a Designated Affiliate or a Participant.

#### **11.4 No Special Rights**

Nothing in this Plan or by the grant of any Awards will confer on any Participant any right to the continuation of the Participant's employment by the Corporation or a Designated Affiliate or interfere in any way with the right of the Corporation or a Designated Affiliate at any time to terminate a Participant's employment or to increase or decrease the compensation of a Participant.

#### **11.5 Other Employee Benefits**

The amount of any compensation received by a Participant as a result of the exercise or settlement of any Award will not constitute compensation with respect to which any other employee benefits of that Participant are determined, including benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, unless otherwise determined by the Board.

#### **11.6 No Liability**

Neither the Corporation nor a Designated Affiliate will be liable to any Participant for any loss resulting from a decline in the price or market value of any Common Shares.

#### **11.7 Government Regulation and Grant Restrictions**

(1) The Corporation's obligation to issue and deliver Common Shares under any Award is subject to (i) the qualification or registration of those Common Shares under applicable securities laws or the availability of and compliance with applicable exemptions from those securities laws, (ii) the listing of those Common Shares on the Exchange and (iii) the receipt from the Participant of any information for the purpose of complying with applicable securities or privacy laws and the rules, regulations and policies of the Exchange and of representations, agreements and undertakings as to future dealings in those Common Shares in order to safeguard against the violation of the securities laws of any jurisdiction, in each case, as the Corporation determines to be necessary or advisable for that purpose.

(2) Awards may not be granted with a Date of Grant or effective date earlier than the date on which all actions required to grant the Awards have been completed.

#### **11.8 No Rights as a Shareholder**

Participants will not have any rights as a holder of any Common Shares covered by an Award including the right to vote or to receive dividends or other distributions on the Common Shares.

#### **11.9 Tax Matters Generally**

(1) Each Participant is responsible for completing and filing any tax returns that may be required under Canadian, United States or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in this Plan and the granting or payment or settlement of an Award.

(2) Each Participant is solely responsible for the payment of any Applicable Withholding Tax. Each Participant is required to make a cash payment to the Corporation representing the Applicable Withholding Tax and the Corporation will remit this amount to the applicable tax authorities on behalf of the Participant. The Corporation will also have the right to deduct from any payment or other settlement to be made in connection with this Plan, or to require, before the issuance or delivery of Common Shares or other property, payment by the Participant of any Applicable Withholding Taxes. The Corporation may also make alternative arrangements with any Participant as to the payment or funding of any such Applicable Withholding Taxes.

(3) The Corporation does not make any representation to Participants as to the tax consequences of any Award. The Corporation will not have any liability for any tax, interest or penalties that any Participant may incur as a result of the grant, vesting, exercise or settlement of any Award.

#### **11.10 Severability**

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

#### **11.11 Effective Date**

This Plan was approved by the shareholders of the Corporation, effective as of December 8, 2021.

**SCHEDULE "D"**

**ADVANCE NOTICE POLICY**

Please see attached.



## **NORTHISLE COPPER AND GOLD INC.**

### **ADVANCE NOTICE POLICY**

Northisle Copper and Gold Inc. (the “**Company**”) is committed to: (i) facilitating an orderly and efficient process for holding annual general meetings or, where the need arises, special shareholder meetings; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all director nominees; and (iii) allowing shareholders to register an informed vote on director elections, having been afforded reasonable time for appropriate deliberation.

The purpose of this Advance Notice Policy (the “**Policy**”) is to provide shareholders, directors and management of the Company with a clear framework for nomination of directors. This Policy fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or applicable special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

It is the position of the Board of Directors (the “**board**”) of the Company that this Policy is in the best interests of the Company, its shareholders and other stakeholders. This Policy will be subject to an annual review and will reflect changes as required by securities regulatory authorities or applicable stock exchanges, or so as to meet industry standards.

#### **Nominations of Directors**

- (a) **Nomination Procedures** - Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if the election of directors is a matter specified in the notice of meeting,
  - (i) by or at the direction of the board, including pursuant to a notice of meeting;
  - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “**Act**”), or a requisition of the shareholders made in accordance with the provisions of the Act; or
  - (iii) by any person (a “**Nominating Shareholder**”) who (A) at the close of business on the Notice Date (as defined below) and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Company, and (B) has given timely notice in proper written form as set forth in this Policy.
- (b) **Manner of timely notice** - To be timely, a Nominating Shareholder’s notice must be received by the corporate secretary of the Company at the principal executive office or registered office of the Company:
  - (i) in the case of an annual meeting (including an annual and special meeting) of shareholders, not later than the close of business on the 30th day prior to the date of the meeting; provided, however, that in the event that the meeting is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the

first public announcement of the date of the meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the meeting was made.

(c) Proper form of notice - To be in proper written form, a Nominating Shareholder's notice must set forth:

(i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:

(A) their name, age, business and residential address, and principal occupation or employment for the past five years;

(B) their direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Company, including the number or principal amount; and

(C) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or Applicable Securities Laws (as defined below); and

(ii) as to each Nominating Shareholder giving the notice:

(A) their name, business and residential address;

(B) any direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Company, including the number or principal amount;

(C) any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its Affiliates or Associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Company or the nomination of directors to the board; and

(D) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by Applicable Securities Laws.

References to "Nominating Shareholder" in this Policy shall be deemed to refer to each shareholder that nominates a person for election as a director in the case of a nomination proposal where more than one shareholder is involved in making such nomination proposal.

(d) Currency of information - All information to be provided in a timely notice pursuant to this Policy shall be provided as of the record date for determining shareholders entitled to vote

at the meeting (if such date shall then have been publicly announced) and as of the date of such notice. The Nominating Shareholder shall update such information to the extent necessary so that it is true and correct as of the date that is ten (10) business days prior to the date of the meeting, or any adjournment or postponement thereof.

- (e) Power of the chair - The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (f) Delivery of notice - Notwithstanding any other provision of this Policy, notice given to the corporate secretary of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time on the Company's website for general inquiries), and shall be deemed to have been given and made only at the time it is served by personal delivery to the corporate secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid and provided that confirmation of receipt of such email has been received) or sent by facsimile transmission (provided that receipt of the confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.
- (g) Exclusive Means – For the avoidance of doubt, this Policy shall be the exclusive means for any person to bring nominations for election to the board at or in connection with any annual or special meeting of the shareholders of the Company.
- (h) Waiver - Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Policy.
- (i) Definitions - For purposes of this Policy,

“**Affiliate**”, when used to indicate a relationship with a specific person, shall mean a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified person;

“**Applicable Securities Laws**” means, collectively, the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;

“**Associate**”, when used to indicate a relationship with a specified person, shall mean (i) any body corporate or trust of which such person beneficially owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of such body corporate or trust for the time being outstanding, (ii) any partner of that person, (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity, (iv) a spouse of such specified person, (v) any person of either sex with whom such specified person is living in conjugal relationship outside marriage or (vi) any relative of such specified person or of a person mentioned in clauses (iv) or (v) of this definition if that relative has the same residence as the specified person;

**“beneficially owns” or “beneficially owned”** means, in connection with the ownership of shares in the capital of the Company by a person, (i) any such shares as to which such person or any of such person’s Affiliates or Associates owns at law or in equity, or has the right to acquire or become the owner at law or in equity, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, upon the exercise of any conversion right, exchange right or purchase right attaching to any securities, or pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (ii) any such shares as to which such person or any of such person’s Affiliates or Associates has the right to vote, or the right to direct the voting, where such right is exercisable immediately or after the passage of time and whether or not on condition or the happening of any contingency or the making of any payment, pursuant to any agreement, arrangement, pledge or understanding whether or not in writing; (iii) any such shares which are beneficially owned, directly or indirectly, by a Counterparty (or any of such Counterparty’s Affiliates or Associates) under any Derivatives Contract (without regard to any short or similar position under the same or any other Derivatives Contract) to which such person or any of such person’s Affiliates or Associates is a Receiving Party; provided, however that the number of shares that a person beneficially owns pursuant to this clause (iii) in connection with a particular Derivatives Contract shall not exceed the number of Notional Securities with respect to such Derivatives Contract; provided, further, that the number of securities owned beneficially by each Counterparty (including their respective Affiliates and Associates) under a Derivatives Contract shall for purposes of this clause be deemed to include all securities that are owned beneficially, directly or indirectly, by any other Counterparty (or any of such other Counterparty’s Affiliates or Associates) under any Derivatives Contract to which such first Counterparty (or any of such first Counterparty’s Affiliates or Associates) is a Receiving Party and this proviso shall be applied to successive Counterparties as appropriate; and (iv) any such shares which are owned beneficially within the meaning of this definition by any other person with whom such person is acting jointly or in concert with respect to the Company or any of its securities;

**“close of business”** means 5:00 p.m. (Vancouver time) on a business day in British Columbia, Canada;

**“Derivatives Contract”** shall mean a contract between two parties (the **“Receiving Party”** and the **“Counterparty”**) that is designed to expose the Receiving Party to economic benefits and risks that correspond substantially to the ownership by the Receiving Party of a number of shares in the capital of the Company or securities convertible into such shares specified or referenced in such contract (the number corresponding to such economic benefits and risks, the **“Notional Securities”**), regardless of whether obligations under such contract are required or permitted to be settled through the delivery of cash, shares in the capital of the Company or securities convertible into such shares or other property, without regard to any short position under the same or any other Derivatives Contract. For the avoidance of doubt, interests in broad-based index options, broad-based index futures and broad-based publicly traded market baskets of stocks approved for trading by the appropriate governmental authority shall not be deemed to be Derivatives Contracts; and

**“public announcement”** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

#### Effective Date

This Policy was approved and adopted by the board on November 5, 2021 (the **“Effective Date”**) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this Policy is not ratified and approved by ordinary resolution

of shareholders of the Company present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this Policy shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

Governing Law

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.