



NOTICE OF ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 28, 2024

AND

MANAGEMENT INFORMATION CIRCULAR

ALMONTY INDUSTRIES INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 28, 2024

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of the holders of common shares (the “Shares”, and holders thereof, the “Shareholders”) of Almonty Industries Inc. (the “Company”) will be held in the **North Boardroom** at the offices of **Suite 300 – 1055 W. Hastings Street, Vancouver, BC** on Friday, June 28, 2024, at 10:00 a.m. PST (Vancouver time) (together with any adjournment or postponement thereof, the “Meeting”).

The following business of the Company will be transacted at the Meeting:

1. to receive and consider the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023, together with the auditor’s report thereon;
2. to set the number of directors and to elect directors to serve for the ensuing year;
3. to confirm the appointment of the auditor of the Company by the board of directors and to appoint the auditor of the Company for the ensuing year and to authorize the board of directors of the Company to fix such auditor’s remuneration;
4. to consider, and if thought fit, to approve, by way of disinterested shareholder approval, the extension of the term of 700,000 share purchase warrants originally due to expire on February 19, 2024, to February 19, 2025;
5. to consider, and if thought fit, to approve, the extension of the term of 714,285 share purchase warrants originally due to expire on May 11, 2024, to May 12, 2025
6. to consider, and if thought fit, to pass a resolution approving unallocated entitlements under the Company’s Restricted Share Unit Plan until June 28, 2027, as more particularly described in the Management Information Circular (the “Circular”) accompanying this Notice of Meeting; and
7. to transact such other business as may properly come before the Meeting.

NOTICE-AND-ACCESS

The Company has elected to use the notice-and-access provisions (“**Notice-and-Access**”) under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 *Continuous Disclosure Obligations* to distribute the proxy-related materials pertaining to the Meeting, including Notice of Meeting and accompanying Information Circular to Shareholders. Notice-and-Access allows the Company to post electronic versions of the Meeting materials on SEDAR+ and on the Company’s website, rather than mailing paper copies to Shareholders. This alternative means of distribution of the Company’s proxy-related materials in respect of the Meeting is more environmentally friendly by reducing paper use, and also reduces printing and mailing costs of the Company. Note that Shareholders still have the right to request paper copies of the Meeting materials posted online by the Company under Notice-and-Access if they so choose. The Company will not use procedures known as “stratification” in relation to its use of the Notice-and-Access provisions in relation to the Meeting. Stratification occurs when a reporting issuer using Notice-and-Access provides a paper copy of the relevant circular to some, but not all, shareholders with the notice package in relation to the relevant meeting.

Accessing Meeting Materials Online

The Meeting materials are available under the Company’s profile on SEDAR+ at www.sedarplus.ca and on the Company’s website at <https://almonty.com/investors/agm/>.

Requesting Printed Meeting Materials

Registered holders may request paper copies of the Information Circular and/or audited annual consolidated financial statements for the year ended December 31, 2023, and related management's discussion and analysis to be sent to them by postal delivery at no cost to them. In order to receive a paper copy of the Information Circular and/or audited annual consolidated financial statements for the year ended December 31, 2023, and related management's discussion and analysis, please call the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**") toll free at 1-866-962-0498 (within North America) or direct (1-514-982-8716) from outside North America and entering your control number as indicated on your Proxy or Voting Instruction Form.

Beneficial holders who wish to receive a paper copy of the Information Circular and/or audited annual consolidated financial statements for the year ended December 31, 2023, and related management's discussion and analysis, should contact Broadridge Investor Communications Solutions, Canada at 1-877-907-7643 or outside North America at 303-562-9305.

Shareholders who wish to receive a paper copy of the Information Circular and/or audited annual consolidated financial statements for the year ended December 31, 2023, and related management's discussion and analysis in advance of the Meeting should make such request to the Company by no later than June 7, 2024, in order to allow reasonable time to receive and review the Information Circular prior to the proxy deadline of 10:00 a.m. (Vancouver time) on June 26, 2024. The Information Circular will be sent to Shareholders within three (3) business days of their request if such request is made prior to the date of the Meeting. Following the Meeting, the Information Circular will be sent to such shareholders within 10 days of their request.

To obtain additional information about the Notice-and-Access process, a shareholder may contact the Company's transfer agent, Computershare, toll free at 1-866-962-0492.

Shareholders may also request a copy of the Information Circular and/or audited annual consolidated financial statements for the year ended December 31, 2023, and related management's discussion and analysis up to the date of the Meeting by emailing the Company's Corporate Secretary at mcgrath@iocorporate.com

Proxies

Shareholders are requested to complete, date and sign the form of proxy contained in the Notice Package (in the return envelope provided for that purpose), or, alternatively, to vote over the internet, in each case in accordance with the instructions set out in the Notice Package. The completed proxy form must be deposited at the office of Computershare Investor Services Inc. ("**Computershare**"), 100 University Avenue 8th Floor, Toronto, Ontario, M5J 2Y1, Attn: Proxy Department, by mail, by fax at 1.416.263.9524 or toll free at 1.866.249.7775, or online at www.investorvote.com, or the proxy vote must otherwise be registered in accordance with the instructions set forth in the Notice Package. Non-registered Shareholders who receive the proxy-related materials through their broker or other intermediary should complete and send the form of proxy or voting instruction form delivered in the Notice Package in accordance with the instructions provided by their broker or intermediary.

To be effective, a proxy must be received by Computershare not later than 10:00 a.m. (Vancouver time) on June 26, 2024, or in the case of any postponement or adjournment of the Meeting, not less than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the postponed or adjourned meeting. **Late proxies may be accepted or rejected by the Chairperson of the Meeting in his or her discretion. The Chairperson is under no obligation to accept or reject any particular late proxy.**

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

The record date for determining the Shareholders entitled to receive notice of and vote at the Meeting is the close of business on May 15, 2024 (the "**Record Date**"). Only Shareholders whose names have been entered in the register of Shareholders as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting.

All non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the voting instruction form and in the Circular to ensure that such Shareholders' Shares will be voted at the Meeting. If you hold your Shares in a brokerage account, you are not a registered Shareholder.

BY ORDER OF THE BOARD OF DIRECTORS

Toronto, Ontario
May 15, 2024

(signed) "Lewis Black"

Lewis Black
Chairman of the Board of Directors, President and Chief Executive Officer

ALMONTY INDUSTRIES INC. MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 28, 2024

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Almonty Industries Inc. (the “Company”), a corporation governed by the *Canada Business Corporations Act* (the “CBCA”), for use at the Annual General and Special Meeting of the holders of common shares of the Company (the “Shares”, and holders thereof, the “Shareholders”) to be held in the **North Boardroom** at the offices of **Suite 300 – 1055 W. Hastings Street, Vancouver, BC** on Friday, June 28, 2024, at 10:00 a.m. PST (Vancouver time) (together with any adjournment or postponement thereof, the “Meeting”) for the purposes set out in the accompanying notice of Meeting (the “Notice of Meeting”).

Unless otherwise indicated, information contained in this Circular is given as at May 15, 2024, and all dollar amounts are stated in Canadian dollars.

GENERAL PROXY INFORMATION

A. SOLICITATION OF PROXIES

The accompanying proxy is being solicited by or on behalf of the management of the Company and the cost of such solicitation will be borne by the Company. It is expected that the solicitation of proxies will be primarily by mail, though proxies may also be solicited, without special compensation, in person or by telephone, fax, email, or other means of communication by directors, officers or regular employees of the Company. The Company may pay investment dealers or other persons holding Shares in their own names or in the names of nominees (collectively, “intermediaries”) for their reasonable expenses incurred in sending this Circular and the accompanying Notice of Meeting, and form of proxy or a voting instruction form, to non-registered, beneficial owners of Shares.

This Circular, together with the accompanying Notice of Meeting, Notice and Access Notice and form of proxy, is being sent to both Registered Shareholders (as hereinafter defined) and Beneficial Shareholders (as hereinafter defined). If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary who holds your Shares on your behalf.

B. HOW TO VOTE YOUR SHARES

Registered Shareholders

A registered Shareholder (“Registered Shareholder”) is a Shareholder whose share certificate bears the name of that Shareholder. Registered Shareholders are entitled to vote their Shares in person at the Meeting or by proxy, and such Shareholders may be able to vote their proxies over the internet, by telephone or by mail in accordance with the instructions set out in the accompanying form of proxy.

If you are a Registered Shareholder and wish to vote in person at the Meeting, you should not complete or return the accompanying form of proxy, as your vote will be taken and counted at the Meeting. Shareholders wishing to vote in person must register their attendance with the scrutineer upon arrival at the Meeting.

If you are a Registered Shareholder and do not wish to attend the Meeting or to vote in person, you may vote by proxy by properly completing, signing and depositing the accompanying form of proxy with the Company’s transfer agent, Computershare Investor Services Inc. (the “Transfer Agent”). Registered Shareholders who elect to submit a proxy may do so online at www.investorvote.com, by telephone at 1-866-732-VOTE (8683) (for Shareholders within North America) or 1-312-588-4290 (for Shareholders outside North America), or by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in all cases in accordance with the instructions provided by the

Transfer Agent in the accompanying form of proxy and ensuring that the proxy is received not later than 48 hours prior to the commencement of the Meeting, excluding Saturdays, Sundays and holidays.

Beneficial Shareholders

If your Shares are registered in the name of an intermediary, rather than in your own name, you are a beneficial Shareholder (a “**Beneficial Shareholder**”). Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Shares) or as set out in the following disclosure.

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

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

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the issuers of securities which they own (referred to as “**OBOs**” for objecting beneficial owners) and those who do not object to the issuers of the securities they own knowing who they are (referred to as “**NOBOs**” for non-objecting beneficial owners).

Non-Objecting Beneficial Owners

The Company is taking advantage of those provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (the “**CSA**”), which permits the Company to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (“**VIF**”). These VIFs are to be completed and returned to the Transfer Agent online at www.investorvote.com, by telephone at 1-866-734-VOTE (8683) (for Shareholders within North America) or 1-312-588-4291 (for Shareholders outside North America), or by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in all cases in accordance with the instructions provided in the VIF. The Transfer Agent will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs it receives.

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

NOBOs who wish to attend and vote in person at the Meeting must insert their own name in the space provided on the VIF to appoint the NOBO (or the name of another person the NOBO wishes to attend the Meeting and vote on the NOBOs behalf) as proxy holder and otherwise follow the instructions on the VIF. Beneficial Shareholders who appoint themselves as proxy holders should present themselves at the Meeting to a representative of the Transfer Agent. Beneficial Shareholders wishing to attend and vote in person at the Meeting should not otherwise complete the VIF.

Objecting Beneficial Owners

Management of the Company does not intend to pay for intermediaries to deliver proxy-related materials to OBOs under NI 54-101. OBOs will not receive the proxy-related materials in respect of the Meeting unless the intermediary holding shares on behalf of the OBO assumes the cost of delivery.

Beneficial Shareholders who are OBOs and receive proxy-related materials in respect of the Meeting from their intermediaries should carefully follow the instructions of their broker or intermediary in order to ensure that their Shares are voted at the Meeting.

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

Voting by Proxyholder

If voting instructions are given on your form of proxy or request for voting instructions, then your proxyholder must vote, or withhold from voting, your Shares in accordance with your instructions. If no voting instructions are given, then your proxyholder may vote your Shares or withhold from voting as he, she or it sees fit. **If you appoint the proxyholders named on the accompanying form of proxy, and do not provide instructions as to how they should vote your Shares, your Shares will be voted "FOR" each of the matters set out in the form of proxy.**

As of the date of this Circular, none of the directors or officers of the Company are aware of any amendments or variations to the matters set out in the Notice of Meeting, nor of any other matter to be presented at the Meeting. However, if any amendment, variation or other business is properly brought before the Meeting, the accompanying form of proxy confers discretion on the persons named thereon to vote on any amendment or variation of the matters set out in the Notice of Meeting or any such other business in accordance with their best judgment.

C. APPOINTMENT OF PROXYHOLDER

The persons named in the form of proxy accompanying this Circular have been selected by the board of directors of the Company (the "**Board**") and have indicated their willingness to represent as proxyholders the Shareholders who appoint them. **A Shareholder has the right to appoint as his, her or its proxyholder a person or company (who need not be a Shareholder) other than the persons designated in the accompanying form of proxy to attend and act on that Shareholder's behalf at the Meeting.** As a Shareholder, you may exercise this right by inserting the name of such person or company in the blank space provided in the form of proxy and striking out the other names or by properly completing and signing another proper form of proxy and, in either case, depositing such form of proxy with the Transfer Agent at the location and within the time limits set out above.

If you appoint some other person to represent you, it is your responsibility as a Shareholder to inform that other person or company that he, she or it has been so appointed and to ensure that your proxy has been signed by you or your attorney authorized in writing (or, if the Shareholder is a corporation, under its corporate seal and signed by a director, officer or attorney thereof, duly authorized).

D. REVOCATION OF PROXIES

If you are a Registered Shareholder and you have submitted a proxy and later wish to revoke it, you can do so by:

- (a) completing and signing a form of proxy bearing a later date and depositing it with the Transfer Agent at the location and within the time limits set out above;
- (b) depositing an instrument in writing signed by you or your attorney authorized in writing (or, for Shareholders that are corporations, under such Shareholder's corporate seal and signed by a director, officer or attorney thereof, duly authorized), with either: (i) the Transfer Agent, at the address noted above, or at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used, or (ii) the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting; or

- (c) following any other manner permitted by law.

Any Registered Shareholder attending the Meeting has the right to vote in person and, if you, as a Registered Shareholder, elect to do so, your proxy will be nullified with respect to any matters upon which you vote, and in respect of any subsequent matters to be voted upon at the Meeting.

Beneficial Shareholders should note that **only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must make appropriate arrangements with their respective intermediaries.** Beneficial Shareholders should also be aware that intermediaries may set deadlines earlier than those set out in this Circular or otherwise for the receipt of requests for voting instructions or proxies from Beneficial Shareholders, and are not required to act on any revocation that is not received by the intermediary prior to the deadlines set by that intermediary. As such, Beneficial Shareholders who wish to revoke their voting instruction form or proxy and to vote should contact their intermediary as soon as possible, and in any event well in advance of the Meeting.

E. NOTICE TO SHAREHOLDERS IN THE UNITED STATES

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

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is governed by the CBCA, certain of its directors and officers are residents of Canada and countries other than the United States, and all of the assets of the Company and a substantial portion of the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

NOTICE AND ACCESS

The Company is using the Notice-and-Access system under National Instrument 54-101 Communications with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 Continuous Disclosure Obligations to distribute its proxy-related materials to Shareholders.

Under Notice-and-Access, rather than the Company mailing paper copies of the proxy-related materials to Shareholders, the materials can be accessed online under the Company's profile on SEDAR+ at www.sedarplus.ca or on the Company's website at <https://almonty.com/investors/agm/>. The Company has adopted this alternative means of delivery for its proxy-related materials in order to reduce paper use and printing and mailing costs.

Shareholders will receive a Notice Package by prepaid mail, which will contain, among other things, information on Notice-and-Access and how Shareholders may access an electronic copy of the proxy-related materials, and how they may request a paper copy of the Information Circular, if they so choose, in advance of the Meeting and for a full year following the Meeting.

Shareholders will not receive a paper copy of the Information Circular unless they contact the Company by email at m McGrath@iocorporate.com. For Shareholders who wish to receive a paper copy of the Information Circular in advance of the voting deadline for the Meeting, requests must be received no later than June 7, 2024.

Shareholders with questions about Notice-and-Access may contact Computershare at 1-866-962-0492.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

A. DESCRIPTION OF SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares (“Shares”). As of the close of business on May 15, 2024, there were 252,589,498 Shares issued and outstanding. Each Share carries the right to one vote. The Shares are the only class of securities entitled to vote at the Meeting. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Shares. As of the date hereof, the Shares are listed for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “AII” and the Australian Securities Exchange (“ASX”) under the symbol “AII”.

B. QUORUM

The quorum necessary for the Meeting is the holders of 25% of the shares entitled to vote at the meeting are present in person or represented by proxy, provided that a quorum shall not be less than two persons. A quorum need not be present throughout the Meeting provided that a quorum is present at the opening of the Meeting.

C. RECORD DATE

The Board has fixed May 15, 2024, as the record date (the “Record Date”) for determining those Shareholders entitled to receive notice of, and vote at, the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

D. OWNERSHIP OF SHARES

To the knowledge of the directors and officers of the Company, the only persons or companies that beneficially owned, directly or indirectly, or exercised control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company as at May 15, 2024, are:

Name of Shareholder	Type of Ownership	Number of Shares Controlled	Percentage of Issued Shares ⁽⁴⁾
Lewis Black ⁽¹⁾	Direct and Indirect	25,944,670	10.28%
Global Tungsten & Powders Corp. ⁽²⁾	Direct	38,149,556	15.17%
Deutsche Rohstoff AG ⁽³⁾	Direct	30,886,426	12.24%

Notes:

- (1) Lewis Black is the registered holder of 12,050,750 Shares. In addition, Lewis Black, together with Daniel D’Amato, have direction and control over shareholdings of Almonty Partners LLC, which is a privately held investment company specializing in tungsten mining investments. Almonty Partners LLC is the registered holder of 13,893,920 Shares.
- (2) Global Tungsten & Powders Corp. develops, manufactures and markets refractory metal powders and specialty products such as semi-finished parts for the aerospace and defense industry.
- (3) Deutsche Rohstoff AG is a public company listed on the Frankfurt Stock Exchange which identifies, develops and divests attractive resource projects in North America, Australia and Europe. Thomas Gutschlag, a director of the Company, is the former Chief Executive Officer of Deutsche Rohstoff AG.
- (4) Based on 252,589,498 Shares outstanding as at the date hereof.

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

Except as otherwise disclosed herein under the heading “Amendment of Warrants”, “Election of Directors” or “Approval Of Unallocated Entitlements Under The Company’s 2020 Restricted Share Unit Plan”, no director or officer of the Company, nor any person who has held such a position since the beginning of the most recently completed fiscal year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted.

BUSINESS TO BE CONDUCTED AT THE MEETING

A. PRESENTATION OF FINANCIAL STATEMENTS

The audited annual consolidated financial statements of the Company for the fiscal year ended December 31, 2023, together with the auditor's report thereon, have been approved by the Board. A copy of the financial statements is available for review on www.sedarplus.ca . No vote of the Shareholders is required with respect to this item of business.

B. ELECTION OF DIRECTORS

The term of office for each of the present directors of the Company expires at the Meeting. It is proposed that the number of directors for the ensuing year be fixed at six, subject to such increases or decreases as may be permitted by the By-Laws of the Company. At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution fixing the number of directors to be elected at the Meeting at six. **Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the Company will be voted "FOR" fixing the number of directors for the ensuing year at six.**

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed pursuant to the Articles of the Company, unless his office is earlier vacated in accordance with the Articles of the Company and the provisions of the CBCA.

Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the Company will be voted "FOR" the election of each of the nominees named below (the "Management Nominees"). If any of the Management Nominees should, for any reason, become unable to serve as a director of the Company prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to nominate and vote for another nominee in their sole discretion.

The following disclosure sets out (i) the names of the six Management Nominees, (ii) their major offices and positions with the Company (if any), (iii) their place of residence, (iv) the committees of the Board on which each currently sits (if any), (v) the period of time during which each has been a director of the Company, (vi) their principal occupation, business or employment for the preceding five years, (vii) the number of Shares beneficially owned, or controlled or directed, directly or indirectly, by each as at May 15, 2024.

Name, residence, office(s) held and date first became a director	Principal occupation, business or employment	Shares beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾
Lewis Black New York, USA Chairman, President and Chief Executive Officer Director since September 23, 2011	Mr. Black is currently the President and Chief Executive Officer of the Company. He is also currently a partner of Almonty Partners LLC, a privately held company specializing in tungsten mining investments. Mr. Black previously served as Chairman and Chief Executive Officer of Primary Metals Inc., a tungsten mining company formerly listed on the TSX Venture Exchange, from 2005 to 2007. Prior to that he was head of sales and marketing for SC Mining Tungsten Thailand. Mr. Black holds a B.A. (Honours) from Manchester University and is a former Vice President of the International Tungsten Industry Association.	25,944,670 ⁽²⁾⁽³⁾

Name, residence, office(s) held and date first became a director	Principal occupation, business or employment	Shares beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾
<p>Daniel D’Amato Paris, France</p> <p>Director</p> <p>Compensation and Corporate Governance Committee</p> <p>Director since September 23, 2011</p>	<p>Mr. D’Amato is currently a Partner of Almonty Partners LLC, a privately-held company specializing in tungsten mining investments. He has held this position since 2005.</p> <p>Mr. D’Amato previously served on the board of directors of Primary Metals Inc., a tungsten mining company formerly listed on the TSX Venture Exchange, from 2005 to 2007. He began his career on Wall Street with Bear Stearns where he worked for nearly a decade and became Managing Director. Mr. D’Amato holds a B.Sc. from Siena College and holds several securities and insurance licenses.</p>	17,301,275 ⁽²⁾⁽⁴⁾
<p>Dr. Thomas Gutschlag Mannheim, Germany</p> <p>Director</p> <p>Audit Committee</p> <p>Compensation and Corporate Governance Committee</p> <p>Director since September 15, 2015</p>	<p>Dr. Gutschlag is a former Chairman and Chief Executive Officer of Deutsche Rohstoff AG (“DRAG”), a public company listed on the Frankfurt Stock Exchange which identifies, develops and divests attractive resource projects in North America, Australia and Europe, with a focus is on the development of oil and gas opportunities within the United States, as well as metals such as gold, copper, rare earth elements, tungsten and tin. Dr. Gutschlag co-founded DRAG in 2006 and was its Chief Financial Officer until 2015 when he became its Chief Executive Officer until June 2022, when he retired.</p> <p>Dr. Gutschlag is a qualified economist with a degree in economics from the University of Heidelberg and a doctorate from the University of Mannheim.</p>	1,007,500 ⁽⁵⁾
<p>Mark Trachuk Toronto, Ontario, Canada</p> <p>Lead Director</p> <p>Audit Committee (Chair)</p> <p>Compensation and Corporate Governance Committee (Chair)</p> <p>Director since September 23, 2011</p>	<p>Mr. Trachuk currently serves as General Counsel at WildBrain Ltd. (TSX:WILD) a global media, animation studio, production, and brand licensing company. Prior to joining WildBrain, Mr. Trachuk was Counsel at Norton Rose Fulbright, a leading global law firm, where he practiced corporate and securities law with an emphasis on mergers, acquisitions and strategic alliances. Mr. Trachuk is a former General Counsel and director of Entertainment One, Ltd. (LSE:ETO), a global entertainment studio that was a constituent member of the FTSE 250. Prior to joining Entertainment One, he was a Senior Partner in the Business Law Group at Osler, Hoskin & Harcourt LLP, a Canadian-based law firm, where he practised from 1989 to 2018. Mr. Trachuk previously served on the board of directors of Playmaker Capital, Inc. (TSXV: PMKR), a digital sports media company, where he served as Chair of the Board and Thunderbird Entertainment Group Inc. (TSXV: TBRD), a film and television production and distribution company, where he served as Lead Director and Chair of the Strategic Advisory Committee. Mr. Trachuk holds a B.A. in Economics from Carleton University, a J.D. from the University of Ottawa and an LL.M. in Corporate Law from the London School of Economics. Mr. Trachuk also received the ICD.D designation from the Institute of Corporate Directors through the University of Toronto – Rotman School of Management. Mr. Trachuk is called to the bar in the provinces of Ontario and British Columbia and is a qualified solicitor in England and Wales.</p>	1,400,000
<p>Andrew Frazer Dalkeith, WA, Australia</p> <p>Director</p> <p>Audit Committee</p> <p>Director since May 28, 2021</p>	<p>Mr. Frazer is currently a representative of RM Corporate Finance Pty Ltd. Mr. Frazer previously held positions as a consultant at Azure Capital, a stockbroker with Hartley Poynton, Patersons Securities and Morgan Stanley. Mr. Frazer graduated from the University of Western Australia with a Bachelor of Commerce – Honours, Bachelor of Jurisprudence and a Bachelor of Laws. Mr. Frazer also obtained his CFA Charter, along with a Diploma from the Securities Institute of the Australian Securities Exchange.</p>	106,000

Name, residence, office(s) held and date first became a director	Principal occupation, business or employment	Shares beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾
<p>David Hanick Toronto, Ontario, Canada Director Director since June 26, 2023</p>	<p>Mr. Hanick currently serves as the Chief Legal Officer and is a member of the Investment Committee and Chair of Impact Day at Starlight Investments, a leading global real estate investment and asset management firm with over 66,000 multi-residential suites and over 7 million square feet of commercial property space totaling more than CDN\$28B in AUM. Prior to joining Starlight Investments, Mr. Hanick was a corporate partner and co-head of the Mining and Natural Resources Group in the Toronto office of Osler, Hoskin & Harcourt LLP where he focused on public and private mergers and acquisitions as well as capital markets transactions acting for issuers, underwriters and private equity firms. He has more than 20 years of legal, capital markets, mergers and acquisitions and corporate governance expertise, and has participated in transactions totaling more than \$50B. Mr. Hanick currently serves on the board of directors of Process Fusion Inc., a software and cloud computing organization and as corporate secretary for each of Starlight Western Canada Multi-Family (No. 2) Fund, Starlight U.S. Multi-Family (No. 2) Core Plus Fund (TSXV: SCPT.A / SCPT.U) and Starlight U.S. Residential Fund (TSXV: SURF.A / SURF.U). Mr. Hanick was awarded the 2020 and 2021 Law Department Leader of the Year Excellence Award by Canada Law Awards and was a finalist for the 2021 Canadian General Counsel Awards in the Business Achievement category. Mr. Hanick is called to the bar in the province of Ontario and holds a joint Master of Business Administration from the Schulich School of Business and Bachelor of Laws from Osgoode Hall Law School.</p>	<p>Nil</p>

Notes:

- (1) The number of shares beneficially owned, or controlled or directed, directly or indirectly, by each Management Nominee is based on information furnished by the nominees and from insider reports available under the Company's profile on SEDI at www.sedi.ca.
- (2) Almonty Partners LLC, a privately-held company specializing in tungsten mining investments, holds 13,893,920 Common Shares or approximately 5.51% of the issued and outstanding Common Shares as of the date hereof. Lewis Black and Daniel D'Amato are each partners of Almonty Partners LLC.
- (3) Lewis Black is the holder of 12,050,750 Shares.
- (4) Daniel D'Amato is the holder of 3,407,355 Shares.
- (5) Dr. Gutschlag owns 965,000 Common Shares directly and 42,500 indirectly through Kooiker Investment GmbH.

Each of the Management Nominees are, in the opinion of management, qualified to direct the activities of the Company until the next annual meeting of Shareholders and all nominees have indicated their willingness to stand for election.

Majority Voting for Election of Directors

The Board has adopted a "majority voting" policy, pursuant to which if a nominee for election as director does not receive a greater number of votes "for" than votes "withheld" at a meeting of shareholders, such nominee shall offer his or her resignation as a director to the Board promptly following the meeting of shareholders at which the director was elected. Upon receiving such offer of resignation, the Compensation and Corporate Governance Committee will consider such offer and make a recommendation to the Board as to whether or not to accept it. Notwithstanding the foregoing, the Board shall accept the offer of resignation absent exceptional circumstances.

The Board will determine whether or not to accept the resignation within 90 days following the meeting of shareholders. The Company will announce the decision of the Board in a press release with respect to whether the Board has decided to accept such director's resignation. If the Board determines not to accept the resignation, the press release will state the reasons for that decision.

The director who tendered such resignation will not be part of any deliberations of any Board committee (including the Compensation and Corporate Governance Committee if such director is a member thereof) or the Board pertaining to the resignation offer.

The “majority voting” policy only applies in circumstances involving an uncontested election of directors. For the purposes of the policy, an “uncontested election of directors” means that the number of nominees for election as a director is not more than the number of directors proposed to be elected to the Board.

Orders, Bankruptcies, Penalties or Sanctions

To the Company’s knowledge, none of the Management Nominees:

- (a) is, as at the date of this Circular, nor has been within ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Circular, nor has been within ten years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within ten years before the date of this 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 any of their respective assets.

To the Company’s knowledge, none of the Management Nominees has:

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

C. APPOINTMENT OF AUDITORS

Shareholders are being asked to confirm the appointment of Zeifmans LLP, Chartered Professional Accountants and to re-appoint Zeifmans LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the next annual meeting of Shareholders. **Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the Company will be voted “FOR” the appointment of Zeifmans LLP as auditor of the Company to hold office until the close of the next annual meeting of Shareholders, at a remuneration to be fixed by the Board.**

D. SPECIAL BUSINESS - AMENDMENT OF WARRANTS

Amendment of 700,000 Insider Warrants

During December 2019, through February 2020, the Company conducted a private placement whereby it issued, in three tranches, 2,047,244 units comprising 2,047,244 shares and 2,047,244 share purchase warrants. Each warrant is exercisable at a price of \$0.75 per share with a three-year term. Of the 2,047,244 warrants issued, 1,020,000 expired,

327,244 were exercised, (47,244 of which were exercised by Lewis Black, CEO of the Company), and of which 700,000 warrants (the “Insider Warrants”) were extended for one year until February 19, 2024. On February 13, 2024, prior to the expiry date of the Insider Warrants, the Board of Directors of the Company, with Lewis Black and Dr. Thomas Gutschlag (the “Warrantholders”) abstaining from voting, approved the extension of the Insider Warrants and the Company has entered into agreements with the Warrantholders, to extend the expiry date of the Insider Warrants to February 19, 2025. All other terms of the Insider Warrants remain unchanged. The 700,000 Insider Warrants are held by insiders of the Company as follows:

<u>Name</u>	<u>Title</u>	Number of Warrants	Number of Shares held, controlled or directed and Percentage	Number of Shares Held, controlled or directed and Percentage Assuming Exercise of the Warrants	Number of Shares Held, controlled or directed and Percentage Assuming Exercise of all Securities Convertible into Shares
Lewis Black	CEO, President and Chair	550,000	25,944,670 10.28%	26,494,670 10.5%	37,400,281 14.81%
Thomas Gutschlag	Director	150,000	1,007,500 0.39%	1,157,500 0.46%	2,207,500 0.87%

As indicated above and because the Insider Warrants are instruments that were already outstanding, the extension of the expiry dates of the Insider Warrants does not have any effect on control of the Company. Additionally, the Insider Warrants subject to the proposed amendment were not in-the-money- at the time Board approval was obtained to the amendment on February 13, 2024, nor are the Insider Warrants in-the-money at the date of this Management Information Circular. The 700,000 common shares underlying the Insider Warrants represent 0.28% of the current issued and outstanding common shares of the Company.

Since the outstanding 700,000 Insider Warrants are held by insiders of the Company, the extension of the expiry date of the Warrants is subject to approval of the TSX and, as required by Section 608(a) of the TSX’s Company Manual, the Company’s shareholders on a disinterested basis. The Warrants may not be exercised by the Warrantholders until such approvals are obtained. If shareholders do not approve the extension of the Warrants, the Warrants will terminate

The amendment of the Warrants held by insiders may be considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). As such, the Company would rely on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of MI 61-101 on the basis that the value of the Warrants held by insiders being amended will not exceed 25% of the fair market value of the Company’s market capitalization.

Shareholders will be asked to consider, and, if thought advisable, to pass, with or without variation, a resolution ratifying the entering into of agreements that amended the expiry date of the Insider Warrants from February 19, 2024, to February 19, 2025. The full text of the resolution is as follows:

“BE IT RESOLVED, AS A RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY THAT:

1. The entering into by the Company of amending agreements with insiders of the Company to extend the expiry date of 700,000 common share purchase warrants issued to such insiders to February 19, 2025, is hereby ratified, confirmed and consented to; and
2. Any officer or director of the Company is hereby authorized and directed for on behalf of the Company to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

To be effective, the resolution must be approved by a majority of the shareholders of the Company. Pursuant to the Company Manual of the TSX, the insiders noted above that hold the warrants will be excluded from voting on the resolution. Therefore, in the aggregate, 26,952,170 shares represented at the Meeting by insiders noted above, being

10.67% of the current issued and outstanding shares of the Company, will be excluded on the vote regarding the extension of the 700,000 Insider Warrants.

The Board of Directors has determined that the extension of the expiry date of the Warrants is in the best interests of the Company as the potential for further equity ownership by insiders would have the effect of further aligning the interests of shareholders and such insiders. **Having determined that the extension of the expiry date of the Warrants is in the best interests of the Company, the Board of Directors unanimously recommends that Shareholders vote in favour of the foregoing resolution.**

Shares represented by proxies in favour of the management nominees will be voted EOR approving the resolution to ratify the entering into of amending agreements to extend the expiry date of the Warrants to February 19, 2025, unless a Shareholder has specified in their proxy that their Common Shares are to be voted against such resolution.

Amendment to 714,285 Warrants

The Company is also seeking shareholder approval to extend the term and expiry date of 714,285 outstanding share purchase warrants held by one individual (the “Warrants”) from May 11, 2024, to May 12, 2025. On May 11, 2022, the Warrants were issued in connection with a private placement which were exercisable for a period of two years at a price of US\$0.84 per share. As the Warrants were issued subsequent to the listing of the Company’s shares on the Australia Securities Exchange, a waiver is required to extend the Warrants, which waiver will require shareholder approval.

Other than the extension of the expiry date for the Warrants all other terms and conditions remain unchanged and are in full force and effect.

Shareholders will be asked to consider, and, if thought advisable, to pass, with or without variation, a resolution ratifying the entering into of agreements that amended the expiry date of the Warrants from May 11, 2024, to May 12, 2025. The full text of the resolution is as follows:

“BE IT RESOLVED, AS A RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY THAT:

1. The entering into by the Company of amending agreements with insiders of the Company to extend the expiry date of 714,285 common share purchase warrants from May 11, 2024, to May 12, 2025, , is hereby ratified, confirmed and consented to; and
2. Any officer or director of the Company is hereby authorized and directed for on behalf of the Company to execute and deliver all such documents and to do all such other acts and things as he or she may determine to be necessary or advisable to give effect to this resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board of Directors has determined that the extension of the expiry date of the Warrants is in the best interests of the Company as the potential for further equity ownership by insiders would have the effect of further aligning the interests of shareholders and such insiders. **Having determined that the extension of the expiry date of the Warrants is in the best interests of the Company, the Board of Directors unanimously recommends that Shareholders vote in favour of the foregoing resolution.**

Shares represented by proxies in favour of the management nominees will be voted EOR approving the resolution to ratify the entering into of amending agreements to extend the expiry date of the Warrants to May 12, 2025, unless a Shareholder has specified in their proxy that their Common Shares are to be voted against such resolution.

E. APPROVAL OF UNALLOCATED ENTITLEMENTS UNDER THE COMPANY’S 2020 RESTRICTED SHARE UNIT PLAN

The Company has established a 2020 Restricted Share Unit (the “RSU Plan”) Plan, a copy of which is attached to this Circular as Schedule “B”, The purpose of the RSU Plan is to enhance the Company’s ability to attract and retain talented employees, to promote an alignment of interests between such employees and the shareholders of the Company and to facilitate share ownership in the Company by its employees. The RSU Plan was approved by

shareholders on June 10, 2021, and received TSX approval to the RSU Plan on September 3, 2021. Pursuant to the policies of the TSX, all unallocated entitlements under a security based compensation arrangement which does not have a fixed number of maximum securities issuable, be approved every three (3) years. Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought appropriate, ratify and approve by ordinary resolution the unallocated entitlements under the RSU Plan.

The maximum number of Common Shares that may be issued under the RSU Plan, together with the Company's Stock Option Plan, as more particularly described herein (collectively the "Security-Based Compensation Arrangements") shall not exceed 10% of the total number of Common Shares issued and outstanding from time to time. As at December 31, 2023, there were 233,888,668 common shares issued and outstanding. Accordingly, there were 23,388,866 Common Shares available for grant under the Security-Based Compensation Arrangements as of December 31, 2023 representing 10% of the issued and outstanding Common Shares. As of the date of this Circular, there are 25,258,949 Common Shares available for grant under the Security-Based Compensation Arrangements, representing 10% of the issued and outstanding Common Shares. As of December 31, 2023, the Company had 17,075,000 stock options ("Options") outstanding and 1,750,000 RSUs outstanding, which represented 7.30% and 0.75% respectively, and 8.05% collectively, of the issued and outstanding Common Shares. As of December 31, 2023, a total of 4,563,866 common shares remained available for grant, or 1.95%. As at the date of this Circular, the Company has 19,075,000 stock options outstanding and 1,750,000 RSUs outstanding, which represent 7.55% and 0.69% respectively, and 8.24% collectively, of the issued and outstanding Common Shares.

Resolution for the Approval of Unallocated RSUs under the RSU Plan

The text of the resolution relating to the approval of unallocated entitlements under the RSU Plan that the Company intends to place before the Meeting, with or without modification, is substantially as follows:

"IT IS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. all unallocated entitlements under the RSU Plan be and are hereby approved;
2. the Company shall have the ability to continue granting RSUs under the RSU Plan until June 28, 2027, which is the date that is three (3) years from the date of the shareholder meeting at which shareholder approval is being sought; and
3. any director or officer of the Company be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determine to be necessary or desirable in order to give full effect to the intent and purpose of this resolution."

To be effective, the unallocated entitlements under the RSU Plan must be approved by the majority of the votes cast on the resolution by Shareholders, present in person or by proxy at the Meeting.

Unless authority to do so is withheld, proxies given pursuant to this solicitation by the management of the will be voted "FOR" the authorization and approval of the unallocated entitlements under the RSU Plan.

F. OTHER BUSINESS

As of the date of this Circular, none of the directors or officers of the Company are aware of any amendments or variations to the matters set out in the Notice of Meeting, nor of any other matter to be presented at the Meeting. However, if any amendment, variation or other business is properly brought before the Meeting, the accompanying form of proxy confers discretion on the persons named therein to vote on any amendment or variation of the matters set out in the Notice of Meeting or any such other business in accordance with their best judgment.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER SECURITY-BASED COMPENSATION ARRANGEMENTS

The following table sets forth as of December 31, 2023 the number of securities issuable upon exercise of outstanding Options, rights and other entitlements, the weighted exercise price of such outstanding Options, rights and other entitlements and the number of securities remaining available for future issuance under all Security-Based Compensation Arrangements previously approved by the Shareholders.

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 (excluding securities reflected in the first column)
Equity compensation plans approved by securityholders	18,825,000	\$0.73	4,563,866

EXECUTIVE COMPENSATION

A. COMPENSATION DISCUSSION AND ANALYSIS

The purpose of this compensation discussion and analysis portion of the Circular is to provide information about the Company’s executive compensation philosophy, objectives and processes and to discuss compensation decisions relating to the Company’s executive officers, including its “named executive officers”. Pursuant to applicable securities regulations, a “named executive officer” means (a) the Chief Executive Officer, (b) the Chief Financial, (c) each of the three most highly compensated executive officers of the Company, 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 an 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.

For the most recently completed fiscal year ended December 31, 2023, the only named executive officers of the Company were Lewis Black, Chief Executive Officer and Mark Gelmon, Chief Financial Officer (together, the “**Named Executive Officers**”).

Compensation Governance

Compensation and Corporate Governance Committee

The Board has established the CCG Committee to assist the Board in fulfilling its oversight responsibilities in relation to, among other things, executive compensation, Board compensation, broadly applicable compensation and benefit programs, and performance reviews of the Board, its committees and individual directors. The CCG Committee is currently comprised of Daniel D’Amato, Thomas Gutschlag, and Mark Trachuk (Chair), all of whom have been determined by the Board to be independent under section 1.4 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), other than Mr. D’Amato by virtue of \$242,550 received by him in consulting fees for the most recently completed fiscal year ended December 31, 2023. All members of the CCG Committee have experience in matters of executive compensation that is relevant to their responsibilities as members of such committee by virtue of their respective professions and long-standing involvement with public companies. In addition, each member of the CCG Committee strives to keep abreast of trends and developments affecting executive compensation.

The Board has a written charter for the CCG Committee outlining its role and objectives, composition, meeting requirements and responsibilities. Pursuant to such charter, the specific duties and responsibilities of the CCG Committee include:

- (a) reviewing and recommending to the Board the compensation and benefits policies and plans (including incentive compensation plans) for the Company and its subsidiaries;
- (b) annually evaluating the performance of the Chief Executive Officer of the Company and recommending to the Board his or her annual compensation package;
- (c) annually reviewing and recommending to the Board the compensation packages for the other executive officers of the Company;
- (d) reviewing and recommending to the Board any employment agreements with executive officers of the Company;
- (e) annually reviewing and recommending to the Board the compensation of the directors of the Company;
- (f) determining grants of options under the Company's stock option plan and recommending the same to the Board for approval; and
- (g) reviewing public disclosure of executive and director compensation.

The Board relies on the knowledge and experience of the members of the CCG Committee in carrying out its responsibilities and to recommend appropriate levels of compensation for the Company's executive officers. Under its Charter, the CCG Committee may also engage any external professional advisors, which it deems necessary to carry out its duties. However, to date, the CCG Committee has not retained any compensation consultant or advisor to assist the CCG Committee or the Board in determining compensation for the company's directors or executive officers.

A complete copy of the CCG Committee charter is available on the Company's website at www.almonty.com. Additional information with respect to the Board and the CCG Committee can be found in the section "*Corporate Governance – Board of Directors*" and "*Corporate Governance – Compensation and Corporate Governance Committee*", below.

Executive Compensation Program Design and Philosophy

The Company's executive compensation program is based on a pay-for-performance philosophy and is designed to deliver consistently strong performance for Shareholders. The Company's program is intended to achieve the following key objectives:

- (a) aligning the interests of the Company's executive officers and directors with those of its Shareholders;
- (b) attracting and retaining highly trained, experienced and committed executive officers and directors, whose performance will directly affect the Company's ongoing financial performance; and
- (c) motivating and rewarding executive officers and directors by linking incentive compensation to Shareholder value, the achievement of general business objectives, and financial and operational results.

The Company's compensation program is comprised of base salary, short-term incentive compensation and long-term incentive compensation. These components are discussed in more detail below. In setting the value of each of these components, the CCG Committee considers the performance of both the Company, as well as the individual performances of its executive officers for the period in question. The CCG Committee does not generally set specific performance objectives and so relies on its experience and judgment in determining compensation. However, the CCG Committee will generally have regard to, among other things:

- (a) The Company's performance relative to its general goals and objectives.
- (b) The Company's performance relative to the mining industry as a whole, which, the Board, from time to time, determines on the basis of the size, scope and complexity of the other firms' businesses and operations compared to those of the Company, with regard to factors including the relative stage of development, production levels, past exploration and development success, revenue levels, total assets, free cash flow and capital expenditures.
- (c) The relative competitiveness of the Company's compensation program when compared with the similar companies in the same industry.
- (d) The Company's share price and market capitalization.

- (e) Developments in, and the stability of, the financial markets more generally.

The CCG Committee has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a general consideration of the CCG Committee when implementing the Company's compensation policies and the CCG Committee does not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking, including risks that are likely to have a material adverse effect on the Company.

The Company maintains an Insider Trading Policy that prohibits insiders from engaging in short sales of securities of the Company, buying or selling puts, calls or other derivatives in respect of securities of the Company, or purchasing the Company's securities on margin as held in a margin account.

Elements of the Company's Executive Compensation Program

Base Salaries

Base salaries are considered to be an essential element in attracting and retaining highly qualified executive officers who are critical to the Company's success. An executive officer's base salary is intended to provide a fixed level of pay that reflects each executive officer's experience, primary duties and responsibilities. It also provides a foundation upon which performance based incentive compensation elements are assessed. Base salaries are established by taking into account individual performance, experience, level of responsibility and pay practices in the mining industry generally. Base salaries of all executive officers are reviewed annually by the CCG Committee and approved by the Board.

Short-Term Incentive Compensation

The Company may pay discretionary cash bonuses, which are intended to reward individual contribution to corporate performance over the course of the Company's most recently completed fiscal year end December 31, 2023. Bonuses are paid at the discretion of the Board, on the recommendation of the CCG Committee, and neither the CCG Committee nor the Board has established any particular trigger or formula for determining when an award will be made under this plan, nor the quantum of any award that is made. Instead, the CCG Committee and the Board will generally consider all aspects of an individual executive's personal contribution to corporate performance and general objectives when making a determination.

Long-Term Incentive Compensation – Security-Based Awards

Stock Option Plan

The Company has established a Stock Option Plan (the "**Stock Option Plan**") to provide long-term incentives to eligible directors, officers, employees and consultants. Stock Option Plan was initially adopted by the Company on February 10, 2010 when the Company was a Capital Pool Company (as defined in the TSX Venture Exchange's Corporate Finance Manual), an amended and restated Stock Option Plan was initially approved by Shareholders at the Company's annual meeting of Shareholders on March 26, 2013, and a further amended and restated Stock Option Plan was approved by the Shareholders at the annual meeting of Shareholders held on March 22, 2016. As part of the Company's listing on the TSX, the Stock Option Plan was amended to bring certain provisions of the Stock Option Plan in-line with the requirements of the TSX, and to remove certain provisions that were required when the Shares were listed on the TSX Venture Exchange and to make certain other corresponding amendments. At an annual and special meeting of Shareholder held on June 30, 2022, Shareholders approved such amendments as well as all unallocated options, rights or other entitlements under the Stock Option Plan until June 30, 2025.

The Board, on the recommendation of the CCG Committee, has the authority to grant Options to officers, directors, employees or consultants (or a corporation employing or wholly-owned by such persons), including consultants that provide investor relations activities to the Company, on such terms, limitations, conditions and restrictions as the Board deems necessary or advisable.

The Stock Option Plan is intended to advance the interests of the Company by encouraging the officers, directors, employees and consultants of the Company, and of its subsidiaries, to acquire Shares, thereby increasing their

proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

Ownership of Shares is intended to align the interests of the Company's executive officers, directors and other stakeholders with those of the Shareholders, as participation in the Stock Option Plan rewards overall corporate performance, as measured through the price of the Shares. The Stock Option Plan is also intended to assist in the recruitment and retention of key personnel. As with many similar companies within the same industry of the Company, the granting of Options forms an integral component of the Company's overall executive compensation package. The Stock Option Plan enables executive officers to develop and maintain an ownership interest in the Company.

Options are normally awarded upon the commencement of an executive officer's employment with the Company, with the size of the award determined by the level of the executive officer's responsibility within the Company. The Board, on the recommendation of the CCG Committee, has authority to make additional grants from time to time, and such awards are intended to ensure that the number of Options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Company. The Board and CCG Committee also have regard to other factors when determining whether to make an additional award of Options to an individual under the Stock Option Plan, including the number of outstanding Options already granted to that individual, the value of such Options and the total number of Options available for grant under the Stock Option Plan. See the section "*Executive Compensation – Compensation Discussion and Analysis – Summary of the Stock Option Plan*", below, for further information regarding the Stock Option Plan.

Summary of the Stock Option Plan

The below provides a summary of the terms of the Stock Option Plan and Options granted thereunder.

The Stock Option Plan is designed to provide additional flexibility to the Board and Compensation and Corporate Governance Committee of the Board (the "**CCG Committee**") in implementing their compensation objectives.

Under the Stock Option Plan for eligible directors, officers, consultants and employees, the Company may grant Options to purchase Shares to such eligible directors, officers, consultants and employees as the Board deems advisable. The Stock Option Plan provides that the maximum number of Shares issuable upon the exercise of Options under the Stock Option Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not exceed 10% of the issued and outstanding Shares (on a non-diluted basis) as at the date of grant of any Option under the Stock Option Plan. As a result, should the Company issue additional Shares in the future, the number of Shares issuable under the Stock Option Plan will increase accordingly. As of the date of this Circular and pursuant to the Stock Option Plan, the maximum number of Shares issuable upon exercise of options is 19,075,000 and 4,433,949 further Options remain issuable under the Stock Option Plan.

The Stock Option Plan is considered an "evergreen" plan, since the Shares covered by Options which have been exercised shall be available for subsequent grants under the Stock Option Plan and the number of Options available to grant increases as the number of issued and outstanding Shares increases. The exercise price shall be set by the Board and shall not be less than the market price of the Shares at the time of grant of the Option. The Board sets the terms of the Options, provided that such term shall not exceed 10 years. The Board also approves the vesting period or periods of Options granted under the Stock Option Plan. Under the rules of the TSX, unallocated option entitlements under a stock option plan that does not provide for a fixed number of shares for issuance, such as the Company's Stock Option Plan, must be specifically approved every three years by Shareholders. The Company does not provide financial assistance to participants under the Stock Option Plan to facilitate payment of the exercise price of Options.

As at the date hereof, Options to acquire 19,075,000 Shares (which represent 7.55% of the currently issued and outstanding Shares) had been granted and were outstanding pursuant to the Stock Option Plan and 201,000 Shares have been issued upon exercise of options previously granted under the Stock Option Plan. Options to acquire Shares were granted under the Stock Option Plan during the most recently completed fiscal year ended December 31, 2023 to: (i) the Named Executive Officers (850,000 on November 16, 2023); (ii) to directors (1,500,000 on November 16, 2023); and (iii) to other key employees/consultants (250,000 on November 16, 2023). Subsequent to

the fiscal year ended December 31, 2023, Options to acquire /Shares were granted under the Stock Option Plan to: (i) Named Executive Officers (1,000,000 on May 1, 2024) and (ii) directors (1,000,000 on January 9, 2024).

The annual burn rate of Options in respect of: (i) most recently completed fiscal year ended December 31, 2023 was 1.15%; (ii) fiscal 2022 was 3.03%; and (iii) fiscal 2021 was 0.75%. “Annual burn rate” is the number of Options granted under the Stock Option Plan during the applicable fiscal year divided by the weighted average number of Shares outstanding for the applicable fiscal year, as required to be calculated and disclosed pursuant to Sections 613(p) and 613(d)(iii) of the TSX Company Manual.

The Stock Option Plan also has the following terms, among others:

1. the exercise price for each Option granted (following the listing of the Shares on the TSX on June 1, 2018) shall be the “market price” on the date the Option is granted. The “market price” is equal to the volume weighted average price at which the Shares have traded on the TSX for the five trading days immediately preceding the date of grant;
2. the Board fixes the vesting terms it deems appropriate when granting Options;
3. the Stock Option Plan does not provide for a maximum number of Shares which may be issued to an individual pursuant to the Stock Option Plan and any other share compensation arrangement (expressed as a percentage or otherwise) except with respect to insiders as described below;
4. Options terminate within a period of time following an optionee ceasing to be a director, officer, consultant or employee of the Company or of a subsidiary of the Company, being the earlier of the original expiry date and (i) the date of termination, in the case of termination for just cause; (ii) one year in the case of death; and (iii) thirty days in all other cases, subject to the discretion of the Board. Any Option not vested at the date of such termination shall be immediately cancelled;
5. the number of Shares issuable to insiders of the Company at any time pursuant to all of the Company’s share compensation arrangements shall not exceed 10% of the outstanding Shares on a non-diluted basis and the number of Shares issued to insiders of the Company, within any one year period, pursuant to all of the Company’s share compensation arrangements, shall not exceed 10% of the outstanding Shares on a non-diluted basis;
6. Options are not transferable otherwise than by will or by the laws of descent and distribution, and Options are exercisable, during the holder’s lifetime, only by the holder;
7. if the date on which an Option expires occurs during or within nine business days after the last day of a trading black-out period imposed pursuant to the Company’s insider trading policy, then the expiry date of such Option shall be the date that is ten business days following the date of expiry of the trading black-out period;
8. accelerated vesting of Options under the Stock Option Plan at the Board’s discretion in the event of: (i) a Take-Over Bid or Issuer Bid (as such terms are defined in the Stock Option Plan) (other than a “normal course” Issuer Bid) made for all or any of the issued and outstanding Shares; or (ii) a Change of Control (as defined in the Stock Option Plan) of the Company; and
9. schedules for the form of Option agreement for options issued, as well as a form for optionees to use to exercise Options.

The Board may, with TSX approval, at any time amend, modify or terminate the Stock Option Plan if and when it is advisable in the discretion of the Board, except that Shareholder approval is required in respect of:

- (a) any amendments to the maximum number of Shares reserved for issuance under the Stock Option Plan;
- (b) any amendment which reduces the exercise price of an Option that is held by an insider of the Company;
- (c) any amendment extending the term of an Option held by an insider of the Company beyond its original expiry date except as otherwise permitted by the Stock Option Plan;

- (d) any amendment which increases the limit on grants of Options to insiders of the Company under the Stock Option Plan;
- (e) the inclusion in the Stock Option Plan of amendment provisions granting additional powers to the Board to amend the Stock Option Plan or Option entitlements thereunder without Shareholder approval; and
- (f) amendments required to be approved by Shareholders under applicable law (including, without limitation, TSX policies and securities laws).

Where Shareholders approval is sought for amendments under subsections (b) (c) or (d) above, the votes attached to Shares held directly or indirectly by insiders of the Company benefiting from the amendment must be excluded.

Other than as specified above, the Board may approve all other amendments to the Stock Option Plan or Options granted under the Stock Option Plan. Without limiting the generality of the foregoing, the following types of amendments would not require shareholder approval:

- (a) amendments of a “housekeeping” or ministerial nature, including any amendment for the purpose of curing any ambiguity, error or omission in the Stock Option Plan or to correct or supplement any provision of the Stock Option Plan that is inconsistent with any other provision of the Stock Option Plan;
- (b) amendments necessary to comply with the provisions of applicable law (including, without limitation, including, without limitation, TSX policies and securities laws);
- (c) the addition or modification of a cashless exercise feature, payable in securities or cash of the Company;
- (d) amendments respecting administration of the Stock Option Plan;
- (e) any amendment to the vesting provisions of the Stock Option Plan or any Option;
- (f) any amendment to the early termination provisions of the Stock Option Plan or any Option, whether or not such Option is held by an insider of the Company, provided such amendment does not entail an extension beyond the original expiry date;
- (g) amendments necessary to suspend or terminate the Stock Option Plan; and
- (h) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law (including, without limitation, without limitation, TSX policies and securities laws).

Summary of the 2020 Restricted Share Unit Plan

The Company adopted the RSU Plan in 2020, a copy of which is attached to the Management Circular filed on SEDAR+ on May 19, 2021. The purpose of the RSU Plan is to enhance the Company’s ability to attract and retain talented employees, to promote an alignment of interests between such employees and the shareholders of the Company and to facilitate share ownership in the Company by its employees.

The annual burn rate of RSUs in respect of: (i) most recently completed fiscal year ended December 31, 2023 was 0.198%; (ii) fiscal 2022 was 0.141%; and (iii) fiscal 2021 was 0.505%. “Annual burn rate” is the number of RSUs granted under the RSU Plan during the applicable fiscal year divided by the weighted average number of Shares outstanding for the applicable fiscal year, as required to be calculated and disclosed pursuant to Sections 613(p) and 613(d)(iii) of the TSX Company Manual.

Award of Units

Pursuant to the RSU Plan, the CCG Committee, or such other committee or persons designated by the Board for purposes of the RSU Plan may from time to time award Restricted Share Units (in this section referred to as “Units”) to Eligible Directors or Eligible Employees (collectively, “Participants”). Eligible Directors are the directors of the Company or any affiliate of the Company. Eligible Employees are employees (including employees who are

officers or directors) of the Company or any affiliate of the Company, whether or not they have a written employment contract with the Company, determined by the Board, upon recommendation of the CCG Committee, as employees eligible for participation in the Plan. Eligible Employees may also include Service Providers eligible for participation in the Plan as determined by the Board. For purposes of the RSU Plan, Service Provider means any person or company engaged by the Company or an affiliate to provide services for an initial, renewable or extended period of 12 months or more.

In respect of each award of Units, the CCG Committee will designate, in its sole discretion, if the Units are to be settled in cash or Shares (or in part Shares or cash). Units settled in cash are hereinafter referred to as “Cash Units” and Units settled in Shares are referred to as “Share Units”.

Units settled in cash are hereinafter referred to as “Cash Units” and Units settled in Shares are referred to as “Share Units”.

Number of Common Shares Available for Issuance

Under the RSU Plan, the aggregate number of Shares that may be reserved for issuance under the Plan on the award of Units, together with any other security-based compensation arrangements, at any particular time shall not exceed 10% of the issued and outstanding Common Shares. If a Participant forfeits his or her Units, the applicable underlying Shares in respect of such forfeited Units become available for re-issuance under the RSU Plan.

The aggregate number of Shares issued to insiders of the Company within any 12 month period, or issuable to insiders of the Company at any time, under the Plan or when combined with any other security based compensation arrangements of the Company, may not exceed 10% of the total number of issued and outstanding Shares at such time.

Rights and Restrictions Attached to Restricted Share Units

Participants do not have any rights as a shareholder of the Company in respect of the Units. Accordingly, Participants are not entitled to vote the Shares underlying the Share Units. Units are not assignable by a Participant.

Resignation or Other Cessation of Employment

If the employment of a Participant is terminated for any reason other than death or disability, the Participant forfeits all right, title and interest with respect to any unvested Units awarded to the Participant under the RSU Plan and such Units will immediately expire and be cancelled on such termination date, unless otherwise determined by the CCG Committee. Any vested Units will continue to be governed by the RSU Plan (see “Settlement” below). If a Participant dies or becomes disabled, his or her Units will vest immediately.

Vesting and Maximum Term

Units will vest in accordance with the terms set by the CCG Committee at the time Units are awarded.

The maximum term of the Units (the “Latest Settlement Date”) , shall be a date in the calendar year in which the third anniversary date of an Award Date occurs, as determined and specified by the Committee, provided that the Latest Settlement Date specified shall be no later than November 30th of such calendar year, provided further, that the Committee may in its discretion extend the Latest Settlement Date to a date later than November 30th but no later than December 31st in such calendar year.

Change in Control

In the event there is a change of control of the Company (as defined in the RSU Plan) and the employment of a Participant is terminated without cause within twelve months after the change of control, the Participant’s Units will vest on the date of termination of employment.

Settlement

For Share Units, the number of Shares received by a Participant upon vesting shall be equal to the number of such Units vested on the settlement date. Also, at any time prior to the settlement date, a Participant may request that his or her Share Units be settled in cash, and the CCG Committee may, in its absolute discretion, agree to settle such Units in cash.

For the purpose of settling Cash Units, the amount of cash payable shall be determined by multiplying the number of such Units by the Fair Market Value (as defined below) on the date a determination is required, namely the earliest of: (a) the date of the Participant's death or disability; (b) the last day of employment of the Participant; (c) the settlement date(s) set out in any grant instrument; or (d) the Latest Settlement Date (as defined in the RSU Plan). The value will be paid to a Participant net of all applicable taxes and other amounts required to be withheld determined in the sole discretion of the Company, within 30 days of the date the Fair Market Value of the applicable Units was determined.

Dividend Equivalents

In the event a dividend becomes payable on the Shares, on the payment date for such dividend, each Participant's account shall be credited with a number of Units (including fractional Units) equal to: (a) the amount of the dividend paid per Share multiplied by the number of Units credited to the Participant's account as of the record date for payment of the dividend, divided by (b) the weighted average trading price for the Shares on the TSX on the five trading days prior to that date (the "**Fair Market Value**") as of the date for payment of the dividend. Subject to the RSU Plan, Units credited to a Participant's account will generally vest at the same time as the related Units vest and will generally be settled in the same form, in cash or Common Shares, as the related Units.

Amendment of the RSU Plan and Units awarded under the RSU Plan

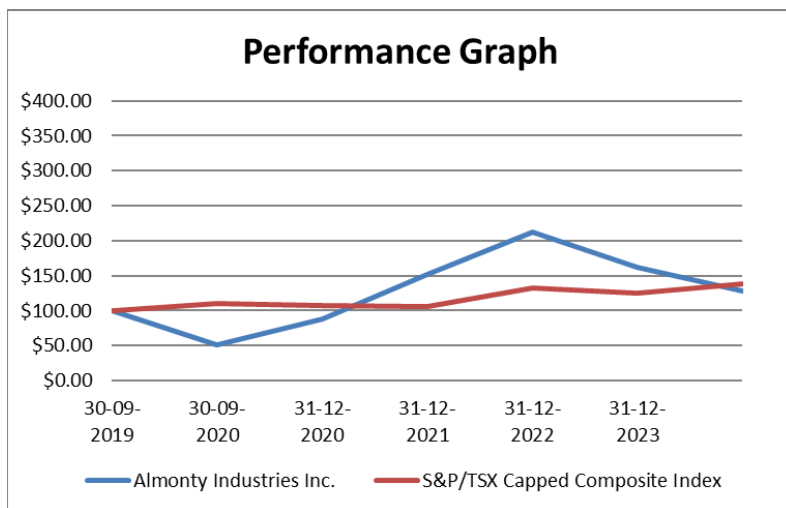
The Board may amend or terminate the RSU Plan, or any Units awarded under the Plan, at any time and in such manner and to such extent as it deems advisable. Any amendments shall be contingent on approval of the Company's Shareholders to the extent required by the RSU Plan, or as required by applicable law or by any stock exchange on which Shares are listed. Shareholder approval is required for:

- (i) an increase in the maximum number of Shares reserved for issuance under the RSU Plan or a change from a fixed maximum number of Common Shares to a fixed percentage;
- (ii) any amendment to the amendment provisions of the RSU Plan;
- (iii) any amendment to remove or exceed the insider participation limit;
- (iv) any amendment extending the term of any award beyond its Latest Settlement Date; and
- (v) any amendment to the assignment provisions.

The Board will not require Shareholder approval to make other amendments to the RSU Plan, or any Units awarded under the Plan, including (i) amendments of a "housekeeping" nature such as correcting typographical or clerical errors or adding clarifying statements to ensure the intent and meaning of the Plan, or of a grant under the Plan, is properly expressed, (ii) amendments to satisfy changes in applicable tax law, (iii) amendments to outstanding Units in the event of certain corporate transactions, and (iv) the addition of covenants for the protection of Participants.

Performance Graph

The following graph compares the yearly percentage change in the cumulative total return on the Shares with the cumulative total return of the S&P/TSX Capped Composite Index. The graph indicates the relative values for each of the past five fiscal years, assuming that \$100 was invested on the first day of the five-year period, being October 1, 2018 taking into consideration that the Company changed its fiscal year end from September to December in 2020.



	2018	Sept 2019	Sept 2020	Dec 2020	Dec 2021	Dec 2022	Dec 2023
Almonty Industries Inc.	100	51.85	87.65	152.38	211.90	161.90	128.57
S&P/ TSX Capped Composite Index	100	110.45	107.04	105.60	132.10	124.38	138.99

B. SUMMARY COMPENSATION TABLE

Summary Compensation Table

The following table sets forth the compensation earned for each of the Company's three most recently completed financial years ended December 31, 2023, December 31, 2022 and December 31, 2021 by the Company's Named Executive Officers.

Name and principal position	Year ended	Salary (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Lewis Black President & Chief Executive Officer, Director	Dec. 31, 2023	835,500	329,782	223,182	Nil	Nil	N/A	Nil	1,438,464
	Dec. 31, 2022	516,667	453,743	2,802,868	Nil	Nil	N/A	531,667	4,304,945
	Dec. 31, 2021	474,930	196,670	371,461	Nil	Nil	N/A	Nil	846,391
Mark Gelmon⁽²⁾ Chief Financial Officer, Former Director	Dec. 31, 2023	240,000	Nil	29,757	Nil	Nil	N/A	Nil	269,757
	Dec. 31, 2022	240,000	Nil	25,480	Nil	Nil	N/A	Nil	265,480
	Dec. 31, 2021	240,000	n/a	Nil	Nil	Nil	N/A	Nil	240,000

Notes:

- The Company accounts for stock options and RSUs using the fair value based method and the fair value of the award on the grant date has been determined using the Black-Scholes fair value option pricing model and the following assumptions for the fiscal year ended December 31, 2023: (i) weighted average fair value per option: \$0.30; (ii) weighted average share price \$0.52; (iii) weighted average exercise price: \$0.52; (iv) expected volatility: 64.34%; (v) dividend yield: Nil%; (vi) risk free interest rate: 3.81%; and (vii) weighted average expected life in years: 10.
- Mr. Gelmon does not receive any compensation directly from the Company. All compensation paid by the Company in connection with the services of Mr. Gelmon is paid to iO Corporate Services Ltd., a Company which provides secretarial and accounting services.

Employment, Consulting and Management Agreements

Other than as described below, as of the date of this Circular, the Company does not have any employment contracts, agreements or arrangements with the Named Executive Officers to compensate them in the event of their resignation, retirement, termination or in the event of a change of control of the Company.

Lewis Black, Chairman, President and Chief Executive Officer

Effective January 1, 2023, the Company entered into an employment agreement with Mr. Black, as President and Chief Executive Officer of the Company. Under this agreement, Mr. Black is entitled to (i) an annual salary of US\$600,000 per year, increasing annually by US\$25,000 on January 1, 2024 and January 1, 2025, as may be adjusted by the Board from time to time (the “**Base Salary**”), (ii) standard benefits made available by the Company to its employees, and (iii) participation in the Corporation’s Stock Option and RSU Plans. The agreement also contains certain confidentiality and non-competition provisions for the benefit of the Company.

If Mr. Black’s employment is terminated for cause, by resignation or death, Mr. Black will receive his unpaid Base Salary and any other benefits earned through the termination date. In the case of termination for cause or by resignation, Mr. Black’s vested options will remain exercisable until 90 calendar days following the termination date. In the case of termination by death, Mr. Black’s vested options will remain exercisable by his heirs or administrators for one year from the date of death.

If Mr. Black’s employment is terminated without cause or for good reason, then Mr. Black will be entitled to receive (i) his unpaid Base Salary and any other benefits earned through the termination date, and (ii) 12 months’ notice (or Base Salary in lieu of such notice). In the case of termination without cause all the entitlements under the Company’s Stock Option Plan and any grant documents shall be governed fully by the terms and conditions of such Stock Option Plan and any grant documents.

For the purposes of Mr. Black’s employment agreement, a change of control shall be considered a termination without cause and without prior notice entitling Mr. Black to a separation package and continuation of certain benefits. The separation package provides 12 months of Mr. Black’s current base salary payable in one lump sum within 5 business days of the termination date and also entitling Mr. Black with a continuation of the benefits plan for 12 months following the termination date.

Estimated Payments for Named Executive Officers upon Termination of Employment or Change of Control

The following table sets out the incremental payments (but excluding any statutory benefits) that would be made to each Named Executive Officer, at, following, or in connection with each of the termination scenarios below as if the triggering event had occurred on December 31, 2023.

Name and Principal Position	Type of Payment	Termination for cause (\$)	Termination without cause (\$)	Resignation (\$)	Death (\$)	Good Reason (\$)	Change of Control (\$)
Lewis Black President and Chief Executive Officer	Cash Severance	Nil	US\$625,000 ⁽¹⁾	Nil	Nil	US\$625,000 ⁽¹⁾	Nil
	Options ⁽²⁾	Nil	Nil	\$120,000	\$120,000	\$120,000	\$120,000

Notes: (1) Severance is governed by the respective NEO’s employment agreement.

(2) The values shown represent the in-the-money amount of options for which vesting would be accelerated. The closing price of the Shares on the TSX on December 31, 2023, was \$0.54.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards and other Compensation Securities

The following table sets forth all compensation securities outstanding at the end of the most recently completed fiscal year ended December 31, 2023 for each of the Named Executive Officers.

Compensation Securities						
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class⁽¹⁾	Issue, conversion or exercise price (\$)⁽¹⁾	Expiry Date	Number of vested options as at December 31, 2022	Value of vested unexercised in-the-money options (\$)⁽¹⁾
Lewis Black President & Chief Executive Officer, Director	Options	100,000	\$0.65	January 7, 2025	100,000	Nil
	Options	300,000	\$0.80	December 23, 2025	300,000	Nil
	Options	250,000	\$0.94	August 18, 2026	250,000	Nil
	Options	5,500,000	\$0.87	July 21, 2027	5,500,000	Nil
	Options	500,000	\$0.33	August 17, 2027	500,000	105,000
	Options	100,000	\$0.87	June 28, 2028	100,000	Nil
	Options	750,000	\$0.52	November 16, 2028	750,000	15,000
	RSUs	1,000,000	\$0.92	n/a	666,666	Nil
	RSUs	400,000	\$0.52	n/a	Nil	8,000
Mark Gelmon Chief Financial Officer, Former Director	Options	50,000	\$0.87	July 21, 2027	50,000	Nil
	Options	50,000	\$0.33	August 17, 2027	50,000	10,500
	Options	50,000	\$0.87	June 28, 2028	50,000	Nil
	Options	100,000	\$0.52	November 16, 2028	100,000	2,000

Notes:

(1) The value at December 31, 2023 is calculated by determining the difference between the closing price on the TSX of the Shares at December 31, 2023 (\$0.54 per Share/market value) and the exercise price of the Options or RSUs.

Incentive Plan Awards – Value Vested or Earned During the Fiscal Year Ended December 31, 2023

The following table sets out the aggregate dollar value of options vested that would have been realized if the options were exercised on the date vested or earned. The value is based on the difference between the option exercise price and the market price of the underlying security of the date of vesting during the most recently completed fiscal year ended December 31, 2023 for each of the Named Executive Officers.

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 (\$)
Lewis Black President & Chief Executive Officer, Director	Nil	Nil	Nil
Mark Gelmon Chief Financial Officer, Former Director	Nil	Nil	Nil

Notes:

See “*Summary of the Stock Option Plan*” “*Summary of the 2020 Restricted Share Unit Plan*” above for more information concerning the Security-Based Compensation Arrangements and the terms of options, rights and entitlements granted thereunder.

C. PENSION PLAN BENEFITS

The Company does not have a pension plan or similar benefit program.

DIRECTOR COMPENSATION

Director Compensation Table

During the most recently completed fiscal year ended December 31, 2023, the directors earned compensation for serving as members of the Board as set out in the following table.

Name ⁽¹⁾	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Daniel D'Amato	242,550 ⁽³⁾	29,025	44,636	Nil	N/A	N/A	316,211
Mark Trachuk	Nil	4,428	163,667	Nil	N/A	N/A	168,095
Thomas Gutschlag	Nil	4,428	59,515	Nil	N/A	N/A	63,943
Andrew Frazer	Nil	Nil	119,031	Nil	N/A	371,158 ⁽⁵⁾	490,189
David Hanick ⁽⁴⁾	Nil	Nil	59,515	Nil	N/A	N/A	59,515
Michael Costa ⁽⁶⁾	Nil	Nil	Nil	Nil	N/A	N/A	Nil
Total (\$)	242,550	37,881	446,364	Nil	N/A	371,158	1,097,953

Notes:

- Information regarding compensation to Lewis Black and Mark Gelmon is disclosed under "Summary Compensation Table", above.
- The Company accounts for stock options and RSUs using the fair value based method and the fair value of the award on the grant date has been determined using the Black-Scholes fair value option pricing model and the following assumptions for the fiscal year ended December 31, 2023: (i) weighted average fair value per option: \$0.30 (ii) weighted average share price \$0.52; (iii) weighted average exercise price: \$0.52; (iv) expected volatility: 64.34%; (v) dividend yield: Nil%; (vi) risk free interest rate: 3.81%; and (vii) weighted average expected life in years: 10.
- Represents consulting fees paid to Mr. D'Amato.
- Mr. Hanick was elected a director at the Company's last Annual General and Special meeting held on June 26, 2023.
- IPO and Private Placement Finder fees paid to Lazarus Corporate Finance Pty Ltd., a Company that Mr. Frazer is the founder and managing director of.
- Mr. Costa did not stand for re-election at the Company's last Annual General and Special meeting held on June 26, 2023.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards and other Compensation Securities

The following table sets forth all compensation securities outstanding at the end of the most recently completed fiscal year ended December 31, 2023 for each of the Directors.

Compensation Securities						
Name and position ⁽¹⁾	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ^(#)	Issue, conversion or exercise price (\$)	Expiry Date	Number of vested options as at December 31, 2023	Value of vested unexercised in-the-money options (\$) ⁽²⁾
Daniel D'Amato Director	Options	100,000	0.65	January 7, 2025	100,000	Nil
	Options	500,000	0.80	December 23, 2025	500,000	Nil
	Options	100,000	0.94	August 18, 2026	100,000	Nil
	Options	100,000	0.98	August 24, 2026	100,000	Nil
	Options	100,000	0.87	July 21, 2027	100,000	Nil
	Options	200,000	0.33	August 17, 2027	200,000	42,000
	Options	100,000	0.87	June 28, 2028	100,000	Nil
	Options	150,000	0.52	November 16, 2028	150,000	3,000
	Options	100,000	0.70	October 27, 2030	100,000	Nil
	RSUs	100,000	0.87	n/a	100,000	Nil
	RSUs	50,000	0.52	n/a	50,000	1,000

Compensation Securities						
Name and position⁽¹⁾	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class^(#)	Issue, conversion or exercise price (\$)	Expiry Date	Number of vested options as at December 31, 2023	Value of vested unexercised in-the-money options (\$)⁽²⁾
Mark Trachuk Director	Options	100,000	0.65	January 7, 2025	100,000	Nil
	Options	100,000	0.94	August 18, 2026	100,000	Nil
	Options	100,000	0.98	August 24, 2026	100,000	Nil
	Options	350,000	0.87	July 21, 2027	350,000	Nil
	Options	200,000	0.33	August 17, 2027	200,000	42,000
	Options	100,000	0.87	June 28, 2028	100,000	Nil
	Options	550,000	0.52	November 16, 2028	550,000	11,000
	Options	100,000	0.70	October 27, 2030	100,000	Nil
Thomas Gutschlag Director	RSUs	100,000	0.87	n/a	100,000	Nil
	Options	100,000	0.80	December 23, 2025	100,000	Nil
	Options	100,000	0.98	August 24, 2026	100,000	Nil
	Options	150,000	0.87	July 21, 2027	150,000	Nil
	Options	200,000	0.33	August 17, 2027	200,000	42,000
	Options	100,000	0.87	June 28, 2028	100,000	Nil
	Options	200,000	0.52	November 16, 2028	200,000	4,000
	Options	100,000	0.70	October 27, 2030	100,000	Nil
Andrew Frazer Director	RSUs	100,000	0.87	n/a	100,000	Nil
	Options	200,000	0.94	August 18, 2026	200,000	Nil
	Options	175,000	0.87	July 21, 2027	175,000	Nil
David Hanick Director	Options	400,000	0.52	November 16, 2028	400,000	8,000
	Options	200,000	0.52	November 16, 2028	200,000	4,000
Michael Costa Former Director	Options	100,000	\$0.98	June 26, 2025 ⁽³⁾	100,000	Nil
	Options	100,000	\$0.87	June 26, 2025 ⁽³⁾	100,000	Nil
	Options	200,000	\$0.87	June 26, 2025 ⁽³⁾	200,000	Nil
	Options	100,000	\$0.70	June 26, 2025 ⁽³⁾	100,000	Nil

Notes:

- (1) Information regarding option-based awards to Lewis Black is disclosed under “Summary Compensation Table”, above.
- (2) The value at December 31, 2023 is calculated by determining the difference between the closing price on the TSX of the Shares at December 31, 2023 (\$0.54 per Share/market value) and the exercise price of the Options or RSUs.

Incentive Plan Awards – Value Vested or Earned During the Year Ended December 31, 2023

The following table sets out the aggregate dollar value of options vested that would have been realized if the options were exercised on the date vested or earned. The value is based on the difference between the option exercise price and the market price of the underlying security of the date of vesting during the most recently completed fiscal year ended December 31, 2023 for each of the directors.

Name⁽¹⁾	Option-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Daniel D’Amato	Nil ⁽³⁾	Nil ⁽²⁾
Mark Trachuk	Nil ⁽³⁾	Nil ⁽²⁾
Thomas Gutschlag	Nil ⁽³⁾	Nil ⁽²⁾
Andrew Frazer	Nil ⁽³⁾	Nil ⁽²⁾
David Hanick	Nil ⁽³⁾	Nil ⁽²⁾
Michael Costa	Nil ⁽³⁾	Nil ⁽²⁾

Notes:

- (1) Information regarding option-based awards to Lewis Black is disclosed under “Summary Compensation Table”, above.
- (2) Represents cash bonuses.

- (3) The vesting date of the options noted above was the date of grant, being November 16, 2023. The market price on the TSX of the Company's Common Shares on the date of grant was \$0.52 per Common Share.

Directors' and Officers' Insurance

During the most recently completed fiscal year ended December 31, 2023, the Company participated in directors' and officers' liability insurance coverage of \$5,000,000 for the benefit of all the directors and officers of the Company in such capacity and as a group. The premium cost paid by the Company for directors' and officers' liability insurance for this period was \$54,000. The coverage contains a deductible of \$250,000, payable by the Company for any loss.

CORPORATE GOVERNANCE

The following discussion of the Company's corporate governance policies and practices is provided pursuant to the disclosure requirements applicable to it as set out in applicable securities laws and the policies of the TSX. The Company is not a "venture issuer" for purposes of these laws and policies and it is required to provide this disclosure relating to its corporate governance policies and practices annually.

National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") sets out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors, specified disclosure of the corporate governance practices must be included in its management information circular.

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees and Shareholders. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Company's corporate governance practices are in compliance with applicable Canadian requirements. The Company continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

The Board has considered the guidelines set out in NP 58-201 and believes that its approach to corporate governance is appropriate and works effectively for the Company and its Shareholders, given its size.

Cognizant of these regulatory requirements and the evolution of best practices, the Board has been, and will continue to be, proactive in reviewing and amending the Company's governance practices.)

A. BOARD OF DIRECTORS

Mandate of the Board of Directors

On January 23, 2012, the Board approved a written Mandate of the Board to assist it in the better execution of its responsibilities, the text of which is attached hereto as Schedule "A". The mandate provides certain guidelines for Board composition and conduct, and highlights particular areas of the conduct of the Company's affairs for which the Board assumes specific responsibility.

Composition and Independence

The Board facilitates its exercise of independent supervision over management by ensuring representation on the Board by directors who are independent of management and by promoting frequent interaction and feedback.

Applicable securities laws, including NP 58-201, recommend that boards of directors of non-venture issuers such as the Company be comprised of a majority of independent directors, as that term is defined under applicable securities laws. Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board has reviewed the relationship between each current director that is standing for re-election and the Company with a view to determining independence. Based on that review, four of the Company's six existing directors submitted for proposed re-election at the Meeting are independent.

The independent directors are:

- Thomas Gutschlag;
- Mark Trachuk;
- Andrew Frazer;
- David Hanick.

The non-independent directors are:

- Lewis Black; and
- Daniel D'Amato.

Mr. Black is not independent of the Company by virtue of his role as Chief Executive Officer of the Company. Mr. D'Amato is not independent by virtue of the fact that he received \$242,550 from the Company for consulting fees for the most recently completed fiscal year ended December 31, 2023.

The Board has overall responsibility for the governance of the Company, including the exercise of independent supervision of the Company's management. The Board considers that management is, and has been, effectively supervised by the independent directors on an informal basis, as these independent directors are, and have been, actively and regularly engaged in reviewing the operations and activities of the Company, and have full and regular access to management of the Company. Though the current Chairman is not independent, the independent directors have sufficient breadth of experience to operate without necessarily needing to rely on the leadership of the Chairman.

Directorships of Other Reporting Issuers

None of the current directors of the Company presently serve on the board of directors of any other reporting issuers (or the equivalent) in a Canadian jurisdiction or a foreign jurisdiction, other than as set out below.

Name of Director	Name of Reporting Issuer (or the Equivalent)	Name of Exchange
Thomas Gutschlag	Saturn Oil & Gas Inc. Deutsche Rohstoff AG	Toronto Stock Exchange Frankfurt Stock Exchange

Board Meetings and Attendance

Meetings of the non-management directors at which members of management (including the President and Chief Executive Officer) are not in attendance are generally held immediately after regularly scheduled Board meetings. In addition, the Company's Board committees operate under approved charters and chair mandates, and can and do meet and operate independently of non-independent directors and management in fulfilling their mandates and making recommendations to the Board.

The following is a summary of the meetings of the Board and the meetings of the Audit and Compensation and Corporate Governance Committees of the Board held during fiscal 2023 and the attendance at these meetings by the directors:

Name of Director	Board Meetings Attended	Audit Committee Meetings Attended	Compensation and Corporate Governance Committee Meetings Attended
Lewis Black	4 of 4	4 of 4	N/A
Daniel D'Amato	4 of 4	4 of 4	1 of 1

Name of Director	Board Meetings Attended	Audit Committee Meetings Attended	Compensation and Corporate Governance Committee Meetings Attended
Mark Trachuk	4 of 4	4 of 4	1 of 1
Thomas Gutschlag	4 of 4	4 of 4	1 of 1
Andrew Frazer	4 of 4	4 of 4	N/A
David Hanick	4 of 4	4 of 4	N/A

B. AUDIT COMMITTEE

The audit committee of the Board (the “**Audit Committee**”) is currently comprised of Mr. Thomas Gutschlag, Mr. Mark Trachuk (Chair) and Mr. Frazer, all of whom are financially literate and independent within the meaning of NI 52-110. The Company complies with the composition requirements for audit committees under NI 52-110 which requires that all the members of the Audit Committee be independent.

Further information regarding the Audit Committee, including a copy of the charter of the Audit Committee, can be found in the Company’s annual information form dated March 31, 2023, a copy of which is available for review under the Company’s SEDAR+ profile at www.sedarplus.ca.

C. COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

The CCG Committee is comprised of Daniel D’Amato, Mr. Thomas Gutschlag and Mark Trachuk (Chair), all of whom have been determined by the Board to be independent under NI 58-101, other than Mr. D’Amato for the reasons described above. The CCG Committee assists the Board in fulfilling its oversight responsibilities with respect to each of the areas discussed below.

Compensation

As discussed above, responsibility for matters relating to the overall compensation philosophy and guidelines for the directors and officers of the Company lies with the CCG Committee. The CCG Committee annually reviews and recommends to the Board, the adequacy and form of compensation of the directors of the Company in light of the responsibilities and risks involved in being such a director. The CCG Committee is also responsible for annually evaluating the performance of the Chief Executive Officer of the Company and recommending to the Board his or her annual compensation package. A detailed discussion and analysis of the Board’s and the CCG Committee’s approach to the determination of compensation is provided in the section “*Executive Compensation – Compensation Discussion and Analysis*”, above.

Nomination of Directors

In addition to its oversight mandate with respect to compensation matters, responsibility for matters relating to the identification and nomination of directors lies with the CCG Committee. The CCG Committee is responsible for reviewing and reporting to the Board on matters relating to the identification, nomination and review of directors, including:

- (a) developing criteria for selection of directors and procedures to identify possible nominees;
- (b) reviewing and assessing qualifications of director nominees including potential conflicts of interest;
- (c) submitting to the Board for consideration and decision, names of the nominees to be brought forward to the next annual meeting of Shareholders or to be appointed to fill vacancies between such meetings; and
- (d) determining if any Board member’s qualifications or credentials since appointment have changed, or other circumstances arisen, so as to warrant a recommendation that such member resigns.

The CCG Committee does not currently have a written procedure for identifying new candidates for Board membership. In the normal course, the CCG Committee makes use of the formal and informal networks of the members of the Board and carries out formal searches for candidates when so directed by the Board.

Orientation and Continuing Education

Responsibility for orientation and continuing education of the Company's directors lies with the CCG Committee. The CCG Committee's charter provides it with a specific mandate to develop and review annually programs for the orientation of new directors and the ongoing education of existing directors. With respect to orientation, the CCG Committee relies on informal orientation programs that are tailored to the particular needs and experience of the new director in question and to the needs of the Board at that time. The CCG Committee will provide such information to new members of the Board so as to ensure that such directors are familiar with the Company's business and procedures of the Board. Information may include the Company's corporate and organizational structure, recent filings and financial information, governance documents and important policies and procedures. The CCG Committee also ensures that every director possesses the capabilities, expertise, availability and knowledge required to fill his or her position adequately. With respect to ongoing education, the CCG Committee relies on its professional advisors to provide updates to the various members of the Board regarding changes in relevant policies, laws or regulations, and on a cultural expectation that directors communicate with the Company's management and professional advisors, as well as attend relevant industry conferences, in order to remain abreast of developments in the Company's industry and legal and regulatory environment. From time to time, the CCG Committee may arrange on-site tours of the Company's operations.

Assessments

Primary responsibility for assessing the performance of the Board, its committees and individual members lies with the CCG Committee. Pursuant to the CCG Committee's charter, the committee's responsibilities in this regard include the conduct of annual reviews of various aspects of the Company's corporate governance policies and practices, and in particular to conduct an annual review, together with the Chairman of the Board, of the effectiveness of the Board as a whole, the committees of the Board, and the contribution of each individual director, and to make periodic reports to the Board on these matters. The CCG Committee is also responsible for reviewing and making recommendations to the Board with respect to the establishment or abolition of committees of the Board, their respective terms of reference, and the size and composition of the various committees of the Board.

Director Term Limits

The Company has not adopted term limits for directors on the Board or other mechanisms of board renewal as the Board is of the view that it is in the Company's best interests to retain experienced board members who are familiar with the Company's business and can provide continuity to its management. Instead, the Board currently assesses the performance of directors based on their ability to continue to make a meaningful contribution.

Diversity on the Board of Directors and among Executive Officers

The Company does not currently have a formal diversity policy in place regarding gender representation on the Board or in executive officer positions. The Company believes in retaining the most qualified candidate for any position irrespective of gender, and recruitment efforts will continue to be governed by the principles set forth below.

However, informally, in identifying and selecting director or executive officer nominees, the Company values diversity, including, without limitation, diversity of experience, perspective, education, race, gender and national and ethnic origin, religion, sexual orientation, political belief and disability, as among the many factors taken into consideration during the search process. The Company also considers, among other things, the qualifications, personal qualities, business background and relevant experience of individual candidates as well as the overall composition of the Board or executive officers with a view to identifying and selecting the best and most complementary candidates. The CCG Committee and the Board intend to consider whether the Company should adopt specific policies and practices regarding the representation of members of Designated Groups on the Board and in executive office positions, including the setting of targets for such representation.

As at the date hereof, none of the members of the Board nor any executive officers self-identify as members of any Designated Group.

D. ETHICAL BUSINESS CONDUCT

As a responsible corporate citizen, the Company is committed to conducting its affairs with integrity, honesty, fairness and professionalism. On January 23, 2012, the Board approved a series of formal, written policies intended in part to promote ethical business conduct by the Company and its directors, executive officers and employees. In addition to the Board being subject to the written mandate of the Board, as discussed above, and to the general requirement that the Company and its directors, executive officers, employees and consultants act in accordance with all applicable laws, these formal policies include:

- (a) *Code of Business Conduct*: Intended to promote the fundamental values of integrity, honesty, fair dealing and transparency, the code imposes certain and specific obligations on the directors, executive officers and employees of the Company to achieve this objective and provides for certain sanctions in the event of non-compliance. Responsibility for conducting periodic reviews of this Code of Business Conduct and overseeing management's monitoring of compliance with the Code of Business Conduct lies with the CCG Committee.
- (b) *Whistleblower Policy*: This policy imposes a general obligation on the Company's directors, executive officers, employees, consultants and contractors to submit all good faith concerns and complaints in respect of any matter that may constitute a breach of the Company's Code of Business Conduct, and in particular with respect to concerns about the Company's accounting, internal control or auditing procedures, to the Chair of the Audit Committee. Responsibility for administering this policy lies with the Audit Committee.
- (c) *Insider Trading Policy*: Intended to ensure compliance with applicable securities laws relating to insider trading and tipping, as well as avoiding the occurrence or appearance of improper trading or tipping and assisting the Company's directors, officers and employees to comply with their obligations under such laws. This policy outlines certain general obligations and provides for certain sanctions in the event of non-compliance with its terms by any of the Company's directors, executive officers, employees or consultants.

Further information and complete copies of the Company's codes and policies are available on the Company's website at www.almonty.com.

E. OTHER COMMITTEES

As of the date of this Circular, there are no additional committees of the Board.

GENERAL MATTERS

A. INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director, nominee for election as a director, executive officer, employee or former director, executive officer or employee of the Company or any of its subsidiaries, or any of their associates or other member of management of the Company, was indebted to the Company at any time since the beginning of the most recently completed fiscal year ended December 31, 2023, of the Company or as at the date hereof, other than "routine indebtedness" as defined in applicable securities laws.

B. INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in the Company's annual information form dated March 31, 2024, to the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed fiscal year ended December 31, 2023, or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, except as disclosed in this Circular or in a previous information circular of the Company.

For the above purposes, an "informed person" means (i) a director or executive officer of the Company, (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company,

(iii) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights, attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution, and (iv) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

C. EXTERNAL MANAGEMENT COMPANIES

None of the management functions of the Company or any of its subsidiaries are to any substantial degree performed other than by the directors or executive officers of the Company or a subsidiary.

D. RECEIPT OF SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING

A registered holder or beneficial owner of Shares may (a) submit to the Company, Attention: Corporate Secretary at 100 King Street West, Suite 5700, Toronto, Ontario, M5X 1C7 a notice of any matter that the person proposes to raise at the next annual meeting of Shareholders (a “**proposal**”); and (b) discuss at the meeting any matter in respect of which the person would have been entitled to submit a proposal, subject to the requirements under section 137 of the *Canada Business Corporations Act*. The Company shall set out such proposal and the accompanying supporting statement, if any, in the management information circular for the next annual meeting of Shareholders, provided that the proposal is submitted to the Company at least 90 days before the anniversary date of the notice of meeting that was sent to Shareholders in connection with the previous annual meeting of Shareholders.

E. AUDITORS AND TRANSFER AGENT

The Company’s auditor is Zeifmans LLP, 201 Bridgeland Avenue, Toronto, ON, M6A 1Y7. Zeifmans LLP was first appointed as the Company’s auditor effective October 1, 2021.

The transfer agent and registrar of the Company is Computershare Investor Services Inc. through its principal offices in Vancouver, British Columbia.

F. ADDITIONAL INFORMATION

Additional information with respect to the Company is available on SEDAR+ at www.sedarplus.ca. Financial information with respect to the Company is provided in the Company’s financial statements and management discussion and analysis for its most recently completed fiscal year December 31, 2023. Shareholders can access this information on SEDAR+ under the Company’s profile or by request to the Corporate Secretary of the Company at the following address:

Almonty Industries Inc.
100 King Street West
Suite 5700
Toronto, Ontario
M5X 1C7

Phone: (647) 438-9766

G. APPROVAL

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

May 15, 2024.

(signed) “Lewis Black”

Lewis Black
Chairman of the Board of Directors

SCHEDULE “A”



MANDATE OF THE BOARD OF DIRECTORS

May 28, 2021

The Board of Directors (the “**Board**”) of Almonty Industries Inc. (the “**Corporation**”) believes that the appropriate mix of skills, experience, age and gender will help to enhance its performance. The Board’s composition should reflect business experience compatible with the Corporation’s business objectives.

Fiduciary Duty and Duty of Care

The Board’s fundamental relationship with the Corporation is guided by a fiduciary principle that requires each director to act honestly and in good faith with a view to the best interests of the Corporation. In exercising their powers and discharging their duties, every director must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. These principles require a director to put the Corporation’s interests first, avoid conflicts of interest and avoid exploiting business opportunities of the Corporation for self-interested purposes. This mandate is not intended to expand upon the standards of conduct prescribed under statutory or regulatory requirements for directors of a corporation.

The Board may designate the officers of the Corporation, specify their duties and delegate to them powers to manage the day to day business and affairs of the Corporation. In addition, the Board discharges its responsibilities through standing committees such as the Audit and Risk Management Committee and the Nomination, Compensation and Corporate Governance Committee and may also periodically form special committees to address specific issues of a more short-term nature. The duties and responsibilities delegated to standing committees of the board are prescribed in the charters for such standing committees.

Additionally, absent actual knowledge to the contrary, the Board shall be entitled to rely on (i) the integrity of those persons or organizations within or outside the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided by such persons or organizations, and (iii) representations made by management and such persons or organizations in relation to any services provided by such persons or organizations to the Corporation and its subsidiaries.

Meetings

The Board shall meet at least four times annually, or more frequently, as circumstances dictate. In addition, the Board shall hold separate, regularly scheduled meetings of independent directors at which members of management are not present.

Independent Directors

An independent director is a non-executive director who is free of any interest, position, association or relationship that might influence, or could reasonably be perceived to influence, in a material respect his or her capacity to bring independent judgment to bear on issues before the Board and to act in the best interests of the entity and its security holders generally.

Where a director is in a position that might cause doubts or raise issues about the independence of a director, the Board should rule the director not to be independent unless it is clear that the interest, position or relationship in question is not material and will not interfere with the director’s ability to bring an independent mind to issues or to act in the Company’s best interests as a whole.

Family ties and cross directorships which may relate to the Company or its business may be relevant in considering interests and relationships which may compromise independence, and should be disclosed by Directors to the Board. The Board will:

- regularly review the independence of each Director in light of interests disclosed and will disclose any change to ASX, as required by the ASX Listing Rules and the TSX Company Manual and applicable Canadian securities laws; and
- review the independence of any director who has served in that position for more than 10 years to confirm that their independent status can be maintained.

Senior manager

A senior manager is a manager who is a member of the key management personnel of the Company, including an executive director but not including a non-executive director.

The senior management team will usually be responsible for implementing the entity's strategic objectives and instilling and reinforcing its values, all while operating within the values, code of conduct, budget and risk appetite set by the Board.

The senior management team will also usually be responsible for providing the Board with accurate, timely and clear information on the entity's operations to enable the Board to perform its responsibilities. This is not just limited to information about the financial performance of the Company, but also its compliance with material legal and regulatory requirements and any conduct that is materially inconsistent with the values or code of conduct of the entity.

Position Descriptions

The Board has developed position descriptions for the Chair of the Board, the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the Corporate Secretary. The Board shall review such position descriptions from time to time, as required.

Chair of the Board

The Chair is responsible for overseeing the operations and affairs of the Board. In fulfilling his or her duties, the Chair will be responsible for:

- providing leadership to foster the effectiveness of the Board;
- ensuring there is an effective relationship between the Board and senior management, including by acting as a liaison between the Board and senior management;
- acting as an advisor to senior management in matters concerning the interests of the Corporation;
- ensuring that the appropriate committee structure is in place and assisting the Nomination, Compensation and Corporate Governance Committee in making recommendations for appointment to such committees;
- in consultation with the other members of the Board and the CEO, preparing the agenda for each meeting of the Board;
- ensuring that the directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board;

- chairing Board meetings and sessions of independent directors, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that decisions are reached and accurately recorded;
- chairing all shareholder meetings;
- together with the Nomination, Compensation and Corporate Governance Committee, ensuring that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual directors with a view to ensuring that they are fulfilling their respective responsibilities and duties, and making recommendations to the Nomination, Compensation and Corporate Governance Committee for changes when appropriate and undertaking such an evaluation no less frequently than annually;
- consulting with the Nomination, Compensation and Corporate Governance Committee on candidates for nomination or appointment to the Board;
- monitoring shareholder communication and continuous disclosure generally and for compliance with the Disclosure Policy and Communication Policy;
- working with the CEO to ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bringing to the attention of the CEO any issues that are preventing the Board from being able to carry out its responsibilities; and
- providing additional services required by the Board.

Chief Executive Officer

The CEO is primarily responsible for the overall management of the business and affairs of the Corporation. In this capacity, the CEO shall establish the strategic and operational priorities of the Corporation and provide leadership for the effective overall management of the Corporation. In fulfilling these duties, the CEO will be responsible for:

- implementing the policies and strategy set by the Board;
- developing annual business plans and budgets for the Board's approval that support the Corporation's long-term strategy;
- consistently striving to achieve the Corporation's short and long-term financial and operating goals and objectives;
- providing leadership and vision, and maintaining a high level of employee morale and motivation, with a view to ensuring the implementation of the Corporation's strategy;
- fostering a corporate culture that promotes integrity and ethical values throughout the organization, including setting the tone by meeting the highest ethical standards;
- developing and motivating the executive officers of the Corporation and providing overall management to ensure the effectiveness of the leadership team;
- serving as the Corporation's chief spokesperson and ambassador;
- ensuring compliance by the Corporation with all applicable laws, rules and regulations, as well as the

Corporation's Code of Business Conduct, corporate governance policies and any other policies adopted by the Board from time to time; and

- ensuring that the Board remains fully informed through direct communication with the Chair for all significant matters, and dealing with the Board in a manner that ensures that the Board is able to provide the best counsel and advice possible.

In carrying out those responsibilities, the CEO must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Corporation's financial condition and operational results.

Chief Financial Officer

The CFO is primarily responsible for the planning, implementation, managing and running of the financial activities of the company. The specific responsibilities the CFO has carriage over include:

- analyzing, advising, developing, formulating, communicating and overseeing the Corporation's financial policies, including in the Company's tax, capital and liquidity policies;
- reporting on the Corporation's financial performance;
- overseeing and ensuring the integrity of the Corporation's internal and external financial reporting;
- ensuring timely and adequate provision of information to the Board about the financial state of affairs of the Corporation; and
- overseeing and evaluating, together with the CEO (if appropriate), the processes for maintaining the integrity of the Corporation with regard to the financial statements and other public disclosures and certifying their effectiveness as required in reports and documents that the Corporation files with, or submits to, the relevant securities regulators.

In carrying out these responsibilities, the CFO must, where appropriate, liaise with and report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Corporation's financial condition.

Corporate Secretary

The role of the Corporate Secretary is to support the effectiveness of the Board and the committees. In carrying out these responsibilities, the Corporate Secretary is accountable directly to the Board in the performance of this role which includes without limitation:

- advising the Board and the committees of governance matters;
- monitoring compliance with Board and committee policy and procedures;
- coordinating the timely completion and delivery of Board and committee papers; and
- assisting generally with the proper functioning of the Board.

Responsibilities

The Board is elected by the shareholders and represents all shareholders' interests in continuously creating shareholder value. The responsibilities of the Board include the following:

- Advocate and support the best interests of the Corporation.
- Review and approve strategic, business and capital plans for the Corporation and monitor management's execution of such plans.
- Review whether specific and relevant corporate measurements are developed and adequate controls and information systems are in place with regard to business performance.
- Review the principal risks of the Corporation's business and pursue the implementation by management of appropriate systems to manage such risks.
- Monitor progress and efficiency of strategic, business and capital plans and require appropriate action to be taken when performance falls short of goals.
- Review measures implemented and maintained by the Corporation to ensure compliance with statutory and regulatory requirements.
- Select, evaluate and compensate the CEO.
- Annually review appropriate senior management compensation programs.
- Monitor the practices of management against the Corporation's disclosure policy to ensure appropriate and timely communication to shareholders of material information concerning the Corporation.
- Monitor safety and environmental programs.
- Monitor the development and implementation of programs for management succession and development.
- Approve selection criteria for new candidates for directorship.
- Provide new directors with a comprehensive orientation and provide all directors with continuing education opportunities.
- Assure shareholders of conformity with applicable statutes, regulations and standards (for example, environmental risks and liabilities and conformity with financial reporting requirements).
- Establish the necessary committees to monitor the Corporation.
- Regularly conduct assessments of the effectiveness of the Board, as well as the effectiveness and contribution of each Board committee and of each individual director.
- Provide advice to and act as a sounding board for the CEO.
- Discharge such other duties as may be required in the good stewardship of the Corporation.

The Board shall also develop or approve the corporate goals and objectives that the CEO is responsible for meeting.

The Board also assumes responsibility for the following approvals:

Financial Approvals:

- Strategic plan
- Annual business and capital plans
- Annual financial statements and auditors' report, together with management's discussion and analysis and press release
- Quarterly financial statements, together with management's discussion and analysis and press release
- Budgeted capital expenditures
- Unbudgeted capital expenditures in excess of \$50,000
- Acquisitions/divestitures
- Significant financing or refinancing opportunities
- Dividend policy
- Share re-purchase programs
- Individual operating, real property or capital leases having total commitment in excess of \$100,000

Human Resources Approvals:

- Appointment/succession/dismissal of CEO*
- Compensation of CEO*
- Executive compensation arrangements and incentive plans*

Administration and Compliance Approvals:

- Appointment of members to the committees of the Board and the chairs of such committees
- Nomination of directors
- Recommendation of auditors to the shareholders*
- Management information circular and related materials
- Appointment of the Chair of the Board
- Major policies*

Review of Charter

The Board will review and reassess this Mandate at least annually and, if required, make any amendments to the Mandate.

* Board may delegate to committees

Last Update: May 28, 2021

Approved by: Board of Directors

ALMONTY INDUSTRIES INC.

Restricted Share Unit Plan

Adopted with effect from December 1, 2020

1 *Purpose*

The purpose of the 2020 Restricted Share Unit Plan is to enhance the Corporation's ability to attract and retain talented employees, to promote an alignment of interests between such employees and the shareholders of the Corporation and to facilitate share ownership in the Corporation by its employees. The Corporation is establishing the Plan as of the Effective Date as a long term incentive.

2 *Definitions*

2.1 "Affiliate" means any affiliate of the Corporation, within the meaning of the *Canada Business Corporations Act*.

2.2 "Award Date" means the date an award of Units is made.

2.3 "Beneficiary" means an individual who, on the date of the Participant's death, is the person who has been designated in accordance with Section 11 and the laws applying to the Plan, or where no such individual has been validly designated or where the individual does not survive the Participant, the Participant's legal representative.

2.4 "Board" means the Board of Directors of the Corporation.

2.5 "Change in Control" means the occurrence at any time hereafter of any of the following events:

- (a) any change in the holding, direct or indirect, of voting shares of the Corporation as a result of which a person, corporation or other legal entity (hereinafter, "Person"), or group of Persons acting jointly or in concert, together with any associate or Affiliate of any such Person or Persons, who were not previously in a position to exercise control of the Corporation are in a position to exercise effective control of the Corporation and for the purposes of this Plan a Person, or a group of Persons acting jointly or in concert, together with any associate or Affiliate of any such Person or Persons, will be deemed to be in a position to exercise effective control of the Corporation if such Person or group of Persons acting jointly or in concert, together with any associate or Affiliate of any such Person or Persons, holds voting shares and/or other securities of the Corporation in excess of the number which, directly or following conversion thereof, would entitle the holders thereof to cast 50% of the votes attaching to all voting shares of the Corporation;
- (b) the members of the Board as of the Effective Date (or their respective successors whose elections or appointments were acceptable to the then remaining members of the Board) cease to constitute a majority of the Board or of the board of directors of any successor to the Corporation, except as a result of the death, disability or normal retirement from such board;
- (c) a transaction or series of transactions (other than any such transaction or series of transactions to which the Participant has consented in writing) in which, directly or indirectly, the Corporation sells or otherwise transfers to any Person, other than an Affiliate or Affiliates of the Corporation, assets having an aggregate fair

market value of more than 50% of the aggregate fair market value of all of the assets of the Corporation at the time of such transaction or series of transactions;

where “Corporation” means the Corporation and its subsidiaries taken as a whole,

but excluding any amalgamation, merger, financing or other similar business combination or similar transaction which is initiated by the Corporation; or

- (d) the Board adopts a resolution to the effect that, for purposes of this Plan, a Change in Control has occurred.

- 2.6 “Code” means the United States Internal Revenue Code of 1986, as amended.
- 2.7 “Committee” means the Compensation and Corporate Governance Committee of the Board, or such other committee or persons designated by the Board for purposes of the Plan. In the event that the Board has not designated any committee or persons to be the Committee for purposes of the Plan, references in the Plan to the Committee shall be deemed to be references to the Board.
- 2.8 “Corporation” means Almonty Industries Inc. and any successor corporation whether by reorganization, amalgamation, merger or otherwise.
- 2.9 “Disability” or “Disabled” means long-term disability of a Participant determined in accordance with any applicable long-term disability plan maintained by his or her employer, as amended from time to time.
- 2.10 “Effective Date” means December 1, 2020.
- 2.11 “Eligible Directors” means the directors of the Corporation or any Affiliate who are, as such, eligible for participation in the Plan.
- 2.12 “Eligible Employees” means employees (including employees who are officers or directors) of the Corporation or any Affiliate, whether or not they have a written employment contract with the Corporation, determined by the Board, upon recommendation of the Committee, as employees eligible for participation in the Plan. “Eligible Employees” shall include Service Providers eligible for participation in the Plan as determined by the Board.
- 2.13 “Fair Market Value” means, with respect to any particular date, the volume weighted average trading price of the Shares on the Toronto Stock Exchange for the five trading days ending on the trading day immediately preceding the particular date, or if the Shares are not listed on the Toronto Stock Exchange, on such other stock exchange in Canada on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market, calculated by dividing the total value of Shares traded by the total volume of Shares trading during such five day period.
- 2.14 “Instrument of Grant” means a personalized instrument of grant document which sets out the number of Restricted Share Units awarded, the terms of the award, settlement terms (being cash or Share issuance), and the Settlement Dates.
- 2.15 “Latest Settlement Date” has the meaning ascribed thereto in Section 6.1(e).
- 2.16 “Participant” means an Eligible Employee or Eligible Director who has been designated by the Committee for participation in the Plan and who has agreed to participate in the Plan on such terms as the Committee may specify.
- 2.17 “Plan” means this 2020 Restricted Share Unit Plan, as amended from time to time.
- 2.18 “Restricted Share Unit” or “Unit” means a unit credited by the Corporation to a Participant by way of a bookkeeping entry in the books and records of the Corporation, as determined by the Committee, the value of which at any particular date shall be the Fair Market Value at that date.

- 2.19 “Restricted Share Unit Account” or “Account” has the meaning ascribed thereto in Section 6.4.
- 2.20 “Rules” means such rules or resolutions as may be adopted by the Committee, from time to time, with respect to the implementation, administration and/or operation of the Plan.
- 2.21 “Service Provider” means any person or company engaged by the Corporation or an Affiliate to provide services for an initial, renewable or extended period of 12 months or more.
- 2.22 “Settlement Dates” has the meaning ascribed thereto in Section 6.1(d).
- 2.23 “Share” means a common share of the Corporation and such other share as is substituted therefor as a result of amendments to the articles of the Corporation, reorganization or otherwise, including any rights that form a part of the common share or substituted share but not including any other rights that are attached thereto and trade therewith or any other share that is added thereto.
- 2.24 “Termination Date” means, in respect of any Participant, the last day of active employment of such Participant with the Corporation or an Affiliate, such employment to be deemed to exclude any period of statutory, actual or reasonable notice of termination and any payment in lieu thereof. For greater certainty, the transfer of a Participant between the Corporation and/or any Affiliates shall not constitute a termination of employment for purposes of the Plan.
- 2.25 “U.S. Participant” means a Participant who is subject to U.S. income tax with respect to Units issued under the Plan.

3 *Construction and Interpretation*

3.1 Gender

In the Plan, references to the masculine gender include the feminine and references to the singular shall include the plural and vice versa, as the context shall require.

3.2 Governing Law

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Participants and the Corporation hereby attorn to the jurisdiction of the courts of the Province of Ontario with respect to any and all actions in relation to the Plan.

3.3 Severability

If any provision of the Plan is determined to be void or unenforceable in whole or in part, such void or unenforceable provision shall be severed from the remainder of the Plan and such determination shall not affect the validity or enforceability of any other provision hereof.

3.4 Headings

Headings are for ease of reference only and shall not affect the interpretation or construction of the provisions hereof.

4 *Shares Reserved for Issuance*

4.1 The aggregate number of Shares that may be reserved for issuance under the Plan on the award of Units, together with any other security based compensation arrangements, at any particular time shall not exceed 10% of the issued and outstanding Shares.

4.2 If a Participant forfeits all right, title and interest with respect to any or all Restricted Share Units then outstanding, the applicable underlying Shares in respect of such forfeited Restricted Share Units shall be available for re-issuance under this Plan.

4.3 The aggregate number of Shares issued to insiders of the Corporation within any 12 month period, or issuable to insiders of the Corporation at any time, under the Plan or when combined with any other security based compensation arrangements of the Corporation, may not exceed 10% of the total number of issued and outstanding Shares at such time.

4.4 The terms “security based compensation arrangement”, “insider” have the meanings attributed thereto in the Toronto Stock Exchange Company Manual.

5 *Eligibility and Participation*

5.1 From time to time, the Committee may designate an Eligible Employee or an Eligible Director to become a Participant as of a specified date and may specify the terms of any award of Units made to that Participant from time to time.

5.2 Nothing herein contained shall be deemed to give any person the right to be retained as an employee or at any time to continue as an employee, nor shall the award to a Participant of Units at any time entitle such Participant to receive any further award under this Plan or under any other compensation or incentive plan of the Corporation. Neither the Plan nor any action taken thereunder shall interfere with the right of an employer to terminate the employment of a Participant at any time. Nothing herein contained shall guarantee any Participant or Beneficiary against fluctuations in the value of Shares and/or Units.

6 *Restricted Share Unit Awards*

6.1 Award of Units

The Committee may, from time to time in its sole discretion, award Units to an Eligible Employee or Eligible Director as a long term incentive and, upon such award, such Eligible Employee or Eligible Director shall become a Participant in the Plan. In respect of each award of Units, the Committee, in its sole discretion, shall designate:

- (a) the number of Units awarded,
- (b) the vesting conditions applicable to the award,

- (c) if the Units are to be settled in cash or Shares (or in part Shares and part cash),
- (d) the Settlement Dates, which shall generally be the vesting dates set out in an Instrument of Grant, subject to the terms of this Plan, and
- (e) the Latest Settlement Date, which shall be a date in the calendar year in which the third anniversary date of an Award Date occurs, as determined and specified by the Committee, provided that the Latest Settlement Date specified shall be no later than November 30th of such calendar year, provided further, that the Committee may in its discretion extend the Latest Settlement Date to a date later than November 30th but no later than December 31st in such calendar year.

Notwithstanding any vesting conditions attached to an award of Units under Section 6.1(b), the Committee may, in its sole discretion, accelerate the vesting of any such Units from time to time. For greater certainty, no Units shall vest later than the Latest Settlement Date in respect of such Units.

6.2 Date of Crediting and Vesting of Units

Units shall be credited to the Account of a Participant as of the date specified by the Committee. Units awarded shall vest in the Participant at such time or times, in such number and subject to such conditions as the Committee may specify.

6.3 Dividend Equivalents

In the event a dividend becomes payable on Shares, on the payment date for such dividend, each Participant's Account shall be credited with a number of Units (including fractional Units) equal to: (a) the amount of the dividend paid per Share multiplied by the number of Units credited to the Participant's Account as of the record date for payment of the dividend, divided by (b) the Fair Market Value as of the date for payment of the dividend. Subject to Section 10.3, Units credited to a Participant's Restricted Share Unit Account under this Section 6.3 shall vest at the same time as the related Units vest and shall be settled in the same form, cash or Shares, as the related Units.

6.4 Restricted Share Unit Accounts

An award of Units to a Participant under Section 6.1 shall be evidenced by an Instrument of Grant signed by the Corporation and the Participant, the terms of which are approved by the Committee. The Corporation, as determined by the Committee, shall maintain in its books and records a Restricted Share Unit Account for each Participant recording at all times the number of Units standing to the credit of the Participant. Upon payment or Share issuance in satisfaction of Units credited to a Participant in the manner described herein, such Units shall be cancelled.

6.5 Adjustments and Reorganizations

In the event of any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution (other than dividends in respect of which Section 6.3 applies) of the Corporation's assets to shareholders, or any other change in the capital of the Corporation affecting Shares, such proportionate adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such change, shall be made with respect to the number of Units outstanding under the Plan.

Should there be any change, other than a change specified above in this Section, in the number or kind of outstanding Shares or of any shares into which such Shares shall have been changed or for which they shall have been exchanged, then there shall be substituted for each Share of the Corporation referred to in the Plan or for each share into which such Share shall have been so changed or exchanged, the kind of shares into which each outstanding Share or each such share shall be so changed or exchanged and an equitable adjustment shall be made, which may be in the number of Units then recorded in the Participant's Account or in the number of Shares or any shares into which such Shares shall have been changed or exchanged, such adjustment to be reasonably determined by the Committee and to be effective and binding for all purposes.

In the event that, at the Settlement Date, there is no public market for the Shares or for shares substituted therefor as provided for in this Section 6, the obligations of the Corporation under the Plan shall be met by a payment in cash in such amount as is reasonably determined by the Committee to be fair and equitable in the circumstances. Notwithstanding the preceding, the Fair Market Value shall always be established in relation to the fair market value of a Share.

7 *Death or Disability*

In the event a Participant dies or becomes Disabled, the Units credited to the Participant under Section 6.1, together with any Units credited to the Participant under Section 6.3, will vest immediately if not otherwise vested under the Plan and the Participant or the Participant's Beneficiary, as the case may be, will be entitled to receive the value of the Participant's vested Units (in cash or Shares, as applicable), less applicable taxes and other amounts required to be withheld under Section 18. The applicable value of the vested Units (being cash and/or Shares) will be determined in accordance with Section 10 as of the Participant's date of death or Disability, as applicable.

8 *Change in Control*

Subject to any agreement between a Participant and the Corporation or any Affiliate to the contrary, if there is a Change in Control and the employment of the Participant is terminated without cause within 12 months following the Change of Control, then the Units credited to the Participant under Section 6.1 and 6.4 will vest in full on the Termination Date. The Participant will be entitled to receive the value of all of the vested Units (in cash or Shares, as applicable), in accordance with Section 10, less applicable taxes and other amounts to be withheld under Section 18.

9 *Termination of Employment*

Subject to Section 8, in the event that the employment of a Participant is terminated for any reason other than death or Disability, the Participant will forfeit all rights, title and interest with

respect to any unvested Units awarded to the Participant under the Plan and such Units will immediately expire and be cancelled on the Termination Date, unless otherwise determined by the Committee in its sole discretion. Any vested Units will continue to be governed by Section 10 and the other applicable provisions of the Plan.

10 *Valuation and Payment*

10.1 Vested Units will be settled in cash or Shares, as determined by the Committee under Section 6.1 and as otherwise contemplated by the terms of the Plan, provided that a Participant who has been awarded Units to be settled in Shares may request, prior to the Settlement Date, that such Units be settled in cash, and the Committee may in its absolute discretion agree to settle such Units in cash.

10.2 For vested Units that are to be settled in Shares, the number of Shares received by a Participant or a Participant's Beneficiary on a Settlement Date shall be equal to the number of such Units vested on such Settlement Date reflected in the Account of such Participant, and in accordance with a Participant's instructions, such Shares shall either be issued to the Participant's personal investment account or a certificate representing the Shares shall be issued by the Corporation, in either case within ten business days of the Settlement Date.

For Units settled in Shares, the Corporation shall not be required to issue Shares or issue and/or cause to be delivered certificates evidencing Shares to be delivered pursuant to the Plan unless and until such issuance and delivery is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities and the requirements of any stock exchange upon which Shares are listed. The Corporation shall in no event be obligated to take any action to comply with any such laws, regulations, rules, orders or requirements.

10.3 If at any time there does not exist a sufficient number of Shares available for issuance under the Plan to allow the crediting to the Participant of the full amount of the Units issued under Section 6.3, then the Participant shall be credited with Units that are to be settled in Shares to the maximum extent possible, and shall be credited with Units to be settled in cash for the balance of the entitlement, provided that any such cash settled Units shall vest no later than December 31st of the third year following the date of the applicable dividend.

10.4 For vested Units that are to be settled in cash, the cash amount payable by the Corporation or an Affiliate to a Participant or a Participant's Beneficiary in respect of the applicable vested Units reflected in the Account of such Participant will be determined by multiplying the number of such Units by the Fair Market Value on the date a determination is required, namely the earliest of:

- (a) the date of the Participant's death or Disability,
- (b) the Termination Date,
- (c) the Settlement Dates set out in any Instrument of Grant, or
- (d) the Latest Settlement Date.

10.5 The value of a Participant's Units as determined in accordance with Section 10.4 will be paid to the Participant (or in the case of a deceased Participant, to the Participant's Beneficiary) by cash, bank draft, cheque or direct deposit to the Participant's bank account, net of all applicable taxes and other amounts required to be withheld determined in the sole discretion of the Corporation, within 30 days of the date the Fair Market Value of the applicable Units was determined under Section 10.4. Upon such payment, the entitlement of the Participant to receive any and all amounts in respect of the Units shall be fully discharged and satisfied and such Units shall thereupon be cancelled. Notwithstanding any other provision of the Plan, for all U.S. Participants, the value of a U.S. Participant's Units must be paid to the U.S. Participant no later than the 15th day of the third month following the end of the year in which the Units vest.

11 *Designation of Beneficiary*

Subject to applicable law, a Participant may designate a Beneficiary to receive Shares issued or any amount payable under the Plan on the death of such Participant, and may change such designation from time to time. Such designation shall be in such form and executed and filed in such manner as the Committee may from time to time determine. If no Beneficiary is designated, the Participant's legal representative will receive any Shares issued or amount payable under the Plan.

12 *Currency*

All references in the Plan currency refer to lawful Canadian currency. All payments made under the Plan shall be denominated in Canadian currency.

13 *Administration*

13.1 The Plan shall be administered by the Committee. The Committee may, from time to time, make and amend such Rules and provisions for the implementation, administration and/or operation of the Plan as it may deem appropriate. The interpretation and construction by the Committee of any provision of the Plan, any Rules, restrictions related to the Plan and/or Rules and of Units awarded under the Plan, unless otherwise determined by the Board, shall be final and conclusive and shall apply to and be binding upon all persons having any interest thereunder. The Board or the Committee may, from time to time in its sole discretion, delegate its authority under the Plan to such other committee or persons designated by it and may, at any time revoke such delegation. The Corporation will be responsible for all costs relating to the administration of the Plan.

13.2 Unless otherwise determined by the Board, the Plan shall remain an unfunded obligation of the Corporation or an Affiliate, as the case may be. The Corporation's and Affiliates' obligations hereunder shall constitute general, unsecured obligations, payable solely out of their general revenues and no Participant or Beneficiary shall have any right to any specific assets of the Corporation or any Affiliate. Neither the Corporation, any Affiliate, nor the Committee shall be deemed to be a trustee of any Shares to be issued or amounts to be distributed or paid pursuant to the Plan. No liability or obligation of the Corporation or any Affiliate shall be deemed to be secured by any pledge of, or encumbrance on, any property of the Corporation or any Affiliate.

14 *Assignment of Units*

Units and any entitlement that may arise in respect thereof under this Plan are not assignable by a Participant or any Beneficiary or the estate of either of the foregoing.

15 *Shares Fully Paid*

Shares, if and when issued by the Corporation to settle vested Units issued under the Plan, shall be considered fully paid in consideration of past service that is no less in value than the fair equivalent of the money the Corporation would have received if the Shares had been issued for money.

16 *Amendment and Termination of Plan*

The Board may amend or terminate the Plan, or any Units granted under the Plan, at any time and in such manner and to such extent as it deems advisable. Any amendments shall be contingent on approval of the Corporation's shareholders to the extent stated herein, required by applicable law or required by any stock exchange on which Shares are listed.

No such amendment or termination shall materially adversely affect the rights of a Participant in respect of Units awarded to such Participant prior to the date of such amendment or termination without such Participant's consent. Notwithstanding the foregoing, the obtaining of the written consent of any Participant to an amendment which materially adversely affects the rights of such Participant with respect to a grant shall not be required if such amendment is required to comply with applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of any stock exchange on which Shares are listed.

No amendments may be made by the Board to the Plan to effect any of the following without shareholder approval: (i) an increase in the maximum number of Shares reserved for issuance under the Plan or a change from a fixed maximum number of Shares to a fixed percentage; (ii) an amendment to the amendment provisions of the Plan; (iii) any amendment to remove or to exceed the insider participation limit specified in Section 4.3; (iv) an amendment extending the term of any award beyond its Latest Settlement Date; or (v) any amendment to Section 14 (Assignment).

However, all other amendments, including amendments of a "housekeeping" nature such as correcting typographical or clerical errors or adding clarifying statements to ensure the intent and meaning of the Plan, or of a grant under the Plan, is properly expressed, and any determinations made or discretion exercised by the Board, in accordance with the terms of the Plan will not require shareholder approval.

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any applicable laws, regulations, rules, orders of governmental or regulatory authorities or the requirements of any stock exchange on which Shares are listed, then such provision shall be deemed to be immediately amended, at the time of such contravention, to the extent required to bring such provision into compliance therewith.

17 *Limitation of Liability*

No director, officer, employee or agent of the Corporation or any member of the Committee or its delegates shall be personally liable or in any way responsible for any act or omission taken in good faith with respect to the Plan or the Rules.

18 *Source Deductions*

The Board may adopt and apply rules that in its opinion will ensure that the Corporation and its Affiliates will be able to comply with applicable provisions of any federal, provincial, state or local law relating to the withholding of tax, including on the amount, if any, included in income of a Participant. The Corporation or any Affiliate may withhold from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary so as to ensure that the Corporation or any Affiliate will be able to comply with applicable provisions of any federal, provincial, state or local law relating to withholding of tax or other required deductions, including on the amount, if any, includable in the income of a Participant. The Corporation or an Affiliate shall, in this connection, have the right in its discretion to satisfy any such liability by retaining or acquiring any Shares which would otherwise be issued to a Participant hereunder. The Corporation or any Affiliate shall also have the right to withhold the delivery of any Units and Shares to a Participant hereunder unless and until such Participant pays to the Corporation or an Affiliate a sum sufficient to indemnify the Corporation or such Affiliate for any liability to withhold tax in respect of the amounts included in the income of such Participant as a result of the settlement of Units under this Plan, to the extent that such tax is not otherwise being withheld from payments to such Participant by the Corporation or such Affiliate.

19 *U.S. Participants; Code Section 409A.*

Notwithstanding any other provision in the Plan, the provisions of this Section 19 will apply to all U.S. Participants with respect to Units issued under the Plan:

19.1 If it is determined that (a) any amounts payable or Shares issued under this Plan are subject to Code Section 409A, (b) a U.S. Participant is a “specified employee” within the meaning of Code Section 409A and related guidance, based on an identification date of December 31, and (c) the U.S. Participant is eligible to receive payment or Shares of any Units solely because that U.S. Participant has “separated from service” within the meaning of Code Section 409A (and not by reason of payment at a specified time or on account of death), then no payment will be made or Shares issued prior to the date that is six months after the date of separation from service (or, if earlier, the date of death of the U.S. Participant).

19.2 Notwithstanding any other provision in this Plan, to the extent any amounts payable or Shares issued under this Plan (a) are determined to be subject to Section 409A, and (b) the time or form of payment of those amounts would not be in compliance with Code Section 409A, then, to the extent possible, payment of those amounts or issuance of Shares will be made at such time and in such a manner that payment will be in compliance with Code Section 409A. If the time or form of payment cannot be modified in such a way as to be in compliance with Code Section 409A, then the payment will be made or Shares issued as otherwise provided in this Plan, disregarding the provisions of this Section 19. If it is determined that amounts payable or Shares issued under this Plan are subject to Code Section 409A, all terms of this Plan which are undefined or

ambiguous must be interpreted in a manner that complies with Code Section 409A if necessary to comply with Code Section 409A.

- 19.3 Units under the Plan payable to U.S. Participants are intended to be exempt from the rules of Code Section 409A and, subject to Section 19.2, will be construed accordingly. The Corporation and its Affiliates will not be liable to any Participant or Beneficiary for any adverse tax consequences imposed under Code Section 409A.

20 *Effective Date and Term of the Plan*

The Plan shall become effective upon its adoption by the Board of Directors and receipt of required regulatory and shareholder approval.