



**NOTICE AND MANAGEMENT INFORMATION CIRCULAR FOR
THE ANNUAL MEETING OF SHAREHOLDERS**

To be held on
Tuesday September 13, 2022 at 12:30 p.m. (Eastern Time)
At 800 Square Victoria, suite 3700, Montreal, Quebec H4Z 1E9

Dated: August 9, 2022
Record Date: Tuesday, August 9, 2022

**NOTICE OF THE ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS**

Notice is hereby given that the Annual Meeting of Shareholders of Critical Elements Lithium Corporation (the “**Corporation**”) will be held on 800 Victoria Square, Suite 3700, Montreal, Quebec, H4Z 1E9, on September 13, 2022 (the “**Meeting**”) at 12:30 p.m., local time, for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the financial year ended on August 31, 2021, as well as the auditors' report thereon;
2. to elect the directors of the Corporation;
3. to appoint the auditors of the Corporation and to authorize the Board of Directors to fix the auditors' remuneration;
4. to consider, and if deemed advisable, to adopt an ordinary resolution in the form annexed as Schedule “B” to the Management Information Circular, ratifying, approving and confirming the Corporation's equity incentive compensation plan (the “**Omnibus Plan**”). For more information, see “Approval of Omnibus Plan” in the Management Information Circular; and
5. to transact such other business that may properly come before the Meeting.

Additional information on the above matter can be found in the Circular as “Meeting Agenda”, “Appointment of Auditors and Authorization of Directors to Determine the Remuneration of Auditors”.

Shareholders of record at the close of business on August 9, 2022, (the “**Record Date**”) are entitled to receive notice of the Meeting, to act at the Meeting and express their voting rights. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

If you are unable to attend the Meeting, please date and sign the form of proxy or voting instruction form accompanying this notice and return it. Proxies to be used at the meeting must be deposited with Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, prior to 5:00 p.m. (Eastern Time) on September 9, 2022, or with the Secretary of the Corporation prior to the commencement of the meeting or any adjournment thereof. The form of proxy or voting instruction form may also be provided over the Internet or by fax by following the instructions on the form of proxy.

Montreal, August 9, 2022

By order of the Board of Directors

(s) Jean-Sébastien Lavallée

Jean-Sébastien Lavallée,
Chief Executive Officer

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CRITICAL ELEMENTS LITHIUM CORPORATION

(the "Corporation")

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at August 9, 2022, unless indicated otherwise)

A- VOTING INFORMATION

SOLICITATION OF PROXIES

The management of the Corporation solicits proxies to be used at the annual and special meeting of shareholders of the Corporation (the "Meeting") to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this management information circular (the "Circular") that it is sending to all the security holders entitled to receive a Notice of Meeting.

Proxies will primarily be solicited by mail, but may also be solicited by e-mail, or telephone. Proxies may be solicited by employees, officers, directors or agents of the Corporation. The Corporation does not intend to remunerate anyone for soliciting proxies, and will assume all related expenses. The Corporation has not retained the services of a third party for proxy solicitation. However, should it decide to do so, the fees paid to the person doing the solicitation are expected to be reasonable.

If you are unable to attend the Meeting in person, you may complete and return the enclosed form of proxy following the instructions therein. The deadline for voting is 5:00 pm (Eastern time) on September 9, 2022, or, in the case of adjournment or postponement of the meeting, at least forty-eight (48) hours before the time of resumption or postponement (excluding Saturdays, Sundays and holidays). The chair of the meeting may waive the deadline for the filing proxies at his or her discretion without notice.

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's By-Laws provide that the quorum at a meeting of the shareholders of the Corporation shall be constituted by the attendance of shareholders, present in person or represented by proxy, holding at least 10% of the votes attached to the outstanding voting shares.

APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time by sending an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of proxy was sent and within the delays mentioned therein, or two business days preceding the date the Meeting resumes if it is adjourned, or by modifying it online the day of the Meeting by following the instructions given per the Chairman of the Meeting.

EXERCISE OF DISCRETION BY PROXIES

The management undertakes to respect the holder's instructions.

In the absence of any indication by the mandator, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

ADVICE TO NON-REGISTERED SHAREHOLDERS

The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, not be registered in the shareholder’s name. Such shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

If you are a non-registered shareholders who wishes to attend, participate or vote at the Meeting, insert your own name in the space provided in the voting instruction form sent to you by your intermediary, follow any applicable instructions provided by the intermediary AND register yourself as a proxyholder as described above. In doing so, you are instructing the intermediary to appoint yourself as proxyholder. It is important to follow the intermediary’s instructions on how to sign and return the documents.

Regulation 54-101 *respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**Regulation 54-101**”) of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

In Canada, the vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**BFSI**”) in Canada. BFSI typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

This Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”). Subject to the provision of Regulation 54-101 issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation’s OBOs can expect to be contacted by BFSI or their brokers or broker’s agents, as set out above. The Corporation has agreed to pay the intermediaries for delivering the proxy-related materials and related voting instruction form to the OBOs.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or his or her broker's agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares as proxyholder for the registered shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker's agent) and return it to that broker (or that broker's agent) in accordance with the broker's instructions (or the agent's instructions).

All references to shareholders in this Circular, the enclosed form of proxy and the notice of meeting are to the registered shareholders unless specifically stated otherwise.

QUESTIONS

If you have questions about the information contained in this Circular or require assistance in completing your form of proxy, please contact Computershare, the Corporation's transfer agent, toll-free at 1-800-564-6253, or by e-mail at service@computershare.com, or by mail at:

Computershare Investor Services Inc.
1500 Robert-Bourassa Boulevard
Montreal, Québec H3A 3S8

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting, other than the election of directors:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share entitles its holder to one vote. On the date hereof, there are 207,312,399 common shares of the Corporation issued and outstanding.

The board of directors of the Corporation (the "**Board**") fixed the close of business on August 9, 2022, as the record date (the "**Record Date**") for determining which shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act* (the "**CBCA**"), the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation and at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying more than 10% of the voting rights attached.

B- MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The Corporation's annual financial statements for the financial year ended August 31, 2021 and the auditors' report thereon will be presented at the Meeting but will not be subject to a vote.

ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed.

The mandates of Jean-Sébastien Lavallée, Steffen Haber, Eric Zaunscherb, Marc Simpson, Matthew Lauriston Starnes, Marcus Brune, Maysa Habelrih, Ani Markova and Vanessa Laplante expire at the Meeting of September 13, 2022. Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his discretion unless the shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

Name	Director since	Office held	Number of shares controlled	Present occupation
Eric Zaunscherb ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ Ontario, Canada	March 19, 2020	Chairman and Director	225,000	Chair of the Board of Directors of Critical Elements Lithium Corporation, Chief Executive Officer and Chair of GR Silver Mining Ltd., independent Director of TriStar Gold Inc. and Outback Goldfields Corp
Jean-Sébastien Lavallée ⁽⁵⁾ Quebec, Canada	October 29, 2009	Chief Executive Officer and Director	7,269,500	Chief Executive Officer of the Corporation
Steffen Haber Bad Soden am Taunas, Germany	April 20, 2017	President and Director	1,000,000	Chairman of Advanced Inorganic@Ventures
Marcus Brune Friedberg, Germany	June 1, 2017	Vice-President Finance and Director	50,000	Vice-President Finance of Critical Elements Lithium Corporation
Marc Simpson ⁽¹⁾⁽²⁾⁽⁵⁾ British Columbia, Canada	March 21, 2013	Director	306,600	President and Chief Executive Officer of Vanadian Energy Corporation
Matthew Lauriston Starnes ⁽²⁾⁽³⁾⁽⁴⁾ Kamakura, Japan	August 7, 2014	Director	425,000	Peerpoint lawyer with Allen & Overy
Ani Markova ⁽¹⁾⁽³⁾⁽⁴⁾ Ontario, Canada	September 16, 2021	Director	1,000	Independent Director of SilverCrest Metals and CEO, Investor View Advisory
Vanessa Laplante Québec, Canada	July 22, 2022	Director	969	Director, Fiscal Affairs and Montreal Office at Canadian Malartic Partnership (group of companies operating the Canadian Malartic mine)
Maysa Habelrih Québec, Canada	July 22, 2022	Director	-	CEO at Mouvement Québécois de la Qualité

- 1) Member of the Audit Committee.
- 2) Member of the Compensation Committee.
- 3) Member of the Governance and Nominating Committee.
- 4) Member of the Environmental and Social Responsibility Committee.
- 5) Member of the Technical Committee.

Each nominee has supplied the information concerning the number of common shares over which he exercises control or

direction.

All of the nominees whose names are hereinabove mentioned, with the exception of Vanessa Laplante and Maysa Habelrih, has previously been elected directors of the Corporation at a shareholders' meeting for which an information circular was issued.

Vanessa Laplante

Vanessa Laplante has over 30 years of experience in finance and tax, including 16 years in the mining industry. She is a leader in her field of specialization, mining tax, which has allowed her to be recognized as Chair of the Fiscal Committee of the Quebec Mining Association since 2011, and Chair of the Board of Directors of the Quebec Mining Association since June 2021. Since 2014, Vanessa has been Director, Fiscal Affairs and Montreal Office, as well as Treasurer, of Canadian Malartic Partnership, a joint venture between Agnico Eagle Mines Limited and Yamana Gold Inc. which operates Canada's largest open pit gold mine. From 2019 to 2020, she was a member of the board of directors and chair of the audit and risk management committee of Nemaska Lithium Inc. While at Osisko Mining Corporation from 2010 to 2014, she was a member of the audit committee. From 2015 to 2019, Vanessa was a member of the advisory committee on the simplification of the mining royalty regime, formed by the Ministère des Ressources Naturelles du Québec. Vanessa holds a Bachelor's degree in Business Administration from the University of Sherbrooke (1991) and is a member of the Ordre des comptables professionnels agréés du Québec (CPA).

Maysa Habelrih

Maysa Habelrih is a results-oriented executive and board director who leverages her global experience and track record of operational excellence and transforming business goals into results growth in complex environments. She has expertise in international joint venture management and board management with a strong knowledge of environmental, social and corporate governance (ESG) practices. For the past year, Maysa has been President and CEO of the Mouvement Québécois de la Qualité, a non-profit organization focused on increasing the competitiveness and productivity of Quebec organizations. From 1989 to 2019, she worked at Alcan, which became Rio Tinto Aluminum in 2007. Maysa finished as General Manager/Vice President of Joint Ventures responsible for governance and finance for nine joint venture operations worldwide, with \$2 billion in revenues, \$400 million in EBITDA and 1,900 direct and indirect employees. This included overseeing the design and implementation of an \$850 million mining expansion project in Guinea. Maysa holds a Bachelors and Masters degree in Chemical Engineering from McGill University in Montreal, as well as the International Masters Program for Managers (IMPM) which is offered in partnership by INSEAD, McGill University and 3 other universities.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, other than disclosed below, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a Director, Chief Executive Officer or Chief Financial Officer of any company that:
 - (i) was the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an "Order"), which Order was issued while the director or executive officer was acting in the capacity as Director, Chief Executive Officer, or Chief Financial Officer of such company; 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 of such company; or
- (b) is, as at the date of this Information Circular, or has been within the ten (10) years preceding the date of this Information Circular, a director or executive officer of any 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 the ten (10) years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

Vanessa Laplante was a director of Nemaska Lithium Inc. (“**Nemaska**”), a reporting issuer in all provinces and territories of Canada, when on November 6, 2020, the securities commission in all the provinces and territories of Canada issued a cease trade order as a result of Nemaska’s failure to file its audited financial statements and the MD&A for the year ended June 30, 2020, prohibiting any person from trading in any security of Nemaska except that Nemaska could implement the transaction under the CCAA and a beneficial holder who was not on November 6, 2020, a person participating in the control or an insider of Nemaska may sell securities at certain conditions.

To the knowledge of the Corporation, other than disclosed below, none of the nominees for election as director of the Corporation has been subject to:

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

Vanessa Laplante was, between December 18, 2018, and October 15, 2020, a director of Nemaska. Nemaska obtained, on December 23, 2019, an initial order under the *Companies’ Creditors Arrangement Act* (Canada) (“**CCAA**”) by the Superior Court of Québec. On November 25, 2020, Nemaska completed the exchange of its common shares for common shares of Residual Nemaska Lithium (the “**transaction**”) in accordance with and pursuant to the approval and vesting order of the Superior Court of Québec (Commercial Division) issued on October 15, 2020, in connection with the proceedings under the CCAA. As a result, and in the context of the CCAA proceedings, there was no residual value for shareholders of Residual Nemaska Lithium Inc. resulting from the transaction.

You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote IN FAVOUR of the election of each of the candidates described above as director of the Corporation.

Each director elected will hold office effective until the earlier of the next annual general meeting of the Corporation or his/her successor is duly elected or appointed in accordance with the CBCA and the By-Laws of the Corporation, unless his/her office is vacated earlier.

C- COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Interpretation

“Named executive officer” (“NEO”) means:

- (a) a Chief Executive Officer (“**CEO**”);
- (b) a Chief Financial Officer (“**CFO**”);
- (c) each of the three most highly compensated executive officers, 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 Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended August 31, 2021, the NEOs who are the subject of this Compensation Discussion and Analysis are Jean-Sébastien Lavallée, Chief Executive Officer, Steffen Haber, President, Marcus Brune, Vice-President Finance and Nathalie Laurin, Chief Financial Officer. See “Summary Compensation Table” below for details of the total compensation received by the NEO for the financial years ended August 31, 2021, 2020 and 2019.

Charter and Composition of the Compensation Committee

The Compensation Committee has a written charter that sets out the Compensation Committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Compensation Committee at least three directors that are "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. The chair of the Compensation Committee is designated by the Board. Decisions at Committee meetings are decided by a majority of votes cast. The mandate also grants the Compensation Committee access to officers, employees and information of the Corporation and the authority to engage, external legal counsel or other advisors as it deems necessary to perform its duties and responsibilities.

As of the date of this Circular, the Compensation Committee is composed of Marc Simpson, Matthew Lauriston Starnes and Eric Zaunscherb. All members of the Compensation Committee are independent directors of the Corporation. All members of the Compensation Committee have a working knowledge of compensation issues.

The training and related experience of each Compensation Committee member that is relevant to the performance of their duties as a member of the Compensation Committee is described below.

Marc Simpson is a professional geologist who has worked in the mining and exploration industry for over thirty (30) years. He has worked for junior, mid-tier and senior mining companies on projects both in Canada and worldwide, including Bema Gold (sold to Kinross for \$3.5 billion in 2007), B2Gold, and Echo Bay Mines. Mr. Simpson is President, CEO and Director of Vanadian Energy Corporation. He received B.Sc. from the University of Manitoba is a member of both Engineers and Geoscientists British Columbia and Engineers and Geoscientists Manitoba.

Matthew Lauriston Starnes is a lawyer with over twenty (20) years of experience. Mr. Starnes is currently a Peerpoint lawyer with Allen & Overy in Tokyo specializing in mining law. Prior to this he was legal counsel in Sumitomo Corporation's Mineral Resources Division in Tokyo, Japan. Among other things, he was responsible for legal aspects of Sumitomo's investment in the Sierra Gorda copper project in Chile was also part of the team for the Ambatovy project in Madagascar. Prior to joining Sumitomo, he also was the President, General Counsel and Deputy CEO for the Ambatovy project. Mr. Starnes has also practiced as a corporate lawyer with major law firms in Montreal.

Eric Zaunscherb is a Canadian mining executive focused on building strong management teams for the responsible exploration and development of quality mineral assets. He is the Chair of the Board of Directors of Critical Elements Lithium Corp. since 2020 and the Chief Executive Officer and Chair of GR Silver Mining Ltd. since March 2022. He is an independent director of TriStar Gold Inc. and Outback Goldfields Corp. Originally an exploration geologist, Mr. Zaunscherb spent 34 years as a mining analyst, most recently serving as Managing Director, Research - Metals and Mining Analyst at a leading investment bank where he coordinated the global mining equity research team. He welcomes new technologies and industry initiatives in diversity and socially responsible investing, ensuring that local communities receive sustainable benefits from mineral resource development.

Compensation Program Objectives

The Board, assisted by the Compensation Committee, reviews and takes decisions on issues related to compensation of executive officers and directors, while ensuring that policies are sufficiently competitive to attract and retain talented individuals, and that executive compensation is in line with industry standards. The Compensation Committee and Board recognize that the NEOs are essential to the Corporation's vision and mission and that compensation plays an important role in achieving the Corporation's short and long-term objectives, which ultimately supports its success.

Employment contracts were signed with several executives in July 2016 and amended in January 2017 and some amended in August 2021 to bring their compensation into line with comparable positions in companies with activities similar to those of the Corporation. Executive compensation is designed to reflect the Corporation's performance and objectives.

Purpose of the Compensation Program

The Compensation Committee has the specific responsibility of supporting the Board in: a) developing a compensation strategy and policy; b) reviewing and approving the compensation objectives and targets for the CEO, assessing the CEO's performance against the above objectives and targets and making recommendations to the Board regarding the CEO's compensation in light of its assessment; c) reviewing the compensation of executive officers other than the CEO and taking certain decisions with respect to their compensation; d) make recommendations to the Board regarding how the directors are compensated; and e) reviewing the disclosure on executive compensation.

The Compensation Committee has developed compensation policies that have been reviewed and approved by the Board. These policies are used by the Compensation Committee and the Board to guide compensation-related decisions, and reflect the Corporation's approach to executive compensation, which aims to:

- Offer compensation that is sufficiently competitive to attract, retain and motivate high-calibre executives with the skills required to implement the Corporation's strategy;
- Match compensation to the achievement of performance targets arising from the approved strategy;
- Encourage the achievement of goals and objectives in a way that fits with the Corporation's vision, mission and values; and
- Align the executive officers' interests with those of the Corporation's shareholders.

Elements of the Compensation Program

The executive compensation program consists of a combination of base salary, short- and long-term incentives and stock options.

Base salary

The base salary is aimed at compensating NEOs for their duties and responsibilities, and thus takes into account the NEO's position and responsibilities, experience, performance and expected contribution.

Incentives

In addition to their base salary, NEOs are eligible for an annual bonus based on the achievement of certain performance targets. The Compensation Committee is responsible for establishing annual targets for the CEO based on the Corporation's strategy and milestones. The performance targets for the other NEOs are based, notably, on those of the CEO, as well as the Corporation's strategy and milestone, and take into account the NEO's position and related responsibilities. The CEO reviews the targets with the Compensation Committee. Each NEO's target bonus is expressed as a percentage of the base salary.

Stock options

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hiring aligns NEOs' rewards with an increase in shareholder value over the long term.

Indirect benefits and fringe benefits

NEOs are subject to provisions in the event of termination and change of control of their employment contracts. The Corporation does not offer a pension or benefits plan. See section "Termination and Change of Control Benefits" of this Circular.

Performance targets

The main objectives of the NEOs for the period from September 1, 2020, to August 31, 2021, were to secure financing for the construction of the mine and concentrator of the Rose Lithium-Tantalum project.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board

Compensation of the NEOs of the Corporation other than the CEO is reviewed annually by the CEO, who makes recommendations to the Compensation committee. The Board reviews the recommendations of the CEO and approves the compensation of the NEOs based on the recommendations of the CEO. The CEO's compensation is reviewed annually by the Board.

Base Salary

The base salary review of each NEO takes into consideration the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings. Base salary is evaluated

against a formal comparison group as mentioned in the section on Compensation Program Objectives. The Board relies on the general experience of its members in setting base salary amounts.

Stock Options

The Corporation has established a formal plan (the “**Plan**”) under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan, determines the number of options granted to such individuals, determine the date on which each option is granted and the corresponding exercise price. For further information regarding the Plan refer to “Terms and Conditions of the Stock Option Plan”. The Plan’s application remains subject to shareholder approval at the Meeting, other long-term incentive awards under the Omnibus Plan, which will replace the Plan.

Going forward, the Corporation proposes to adopt the Omnibus Plan which will provide the Board with more flexibility to tailor awards to the particular circumstances and incentive structure. For more information, see disclosure under heading “Approval of the Omnibus Plan”.

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the TSX Venture Exchange (the “**Exchange**”).

External Compensation Consultants

During the fiscal year ended August 31, 2021, the Corporation did not retain the services of an executive compensation consultant to help develop a group of comparable companies or to study the new target compensation.

To ensure appropriate competitive decisions, the Compensation Committee identified a group of comparable companies for benchmarking purposes. For the purpose of determining compensation, the comparables were selected based on the following general criteria:

- i. Businesses of an equivalent size (or slightly larger)
- ii. In the exploration and development phase, focused on critical metals (mainly lithium)
- iii. With properties mainly in the Americas
- iv. With a market capitalization of \$50,000,000 to \$500,000,000
- v. With an experienced management team

Based on these criteria, the Compensation Committee identified the following eleven companies:

American Lithium Corp. E3 Metals Corp. Electra Battery Materials Corp. Frontier Lithium Inc. Lithium Americas Corp. Nano One Materials Corp.	Nouveau Monde Graphite Inc. Piedmont Lithium Inc. Rock Tech Lithium Inc. Sigma Lithium Corporation Standard Lithium Ltd.
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Compensation Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation’s compensation policies and practices. On June 14, 2021, the Corporation adopted an insider trading policy (the “**Insider Trading Policy**”) that prohibits, among other things, directors or officers from purchasing financial instruments that are designed to hedge, short sell or offset a decrease in market value of the Corporation’s securities granted as compensation or held, directly or indirectly, by directors or officers. A copy of the insider trading policy is available on the Corporation’s website at www.ceccorp.ca. As of the date of this Circular, the Corporation is not aware of any directors or officers having entered into this type of transaction.

If adopted, the Omnibus Plan restricts recipients of awards from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director. To the knowledge of the Corporation, none of the Named Executive Officer or directors has purchased such financial instruments.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary and long- and short-term incentives of each NEO, combined with the granting of stock options, has been designed to provide overall compensation that the Board believes to be competitive.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation and its subsidiaries for services in all capacities to the Corporation during the three most recently completed financial year:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽³⁾	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans ⁽²⁾			
Jean-Sébastien Lavallée Chief Executive Officer	2021	472,683 ⁽¹⁾	-	-	-	50,000	-	130,221	652,904
	2020	325,317	-	-	-	-	-	71,596	396,913
	2019	397,815	-	-	-	-	-	109,781	507,596
Nathalie Laurin Chief Financial Officer	2021	116,727	-	-	-	15,000	-	-	131,727
	2020	63,652	-	-	-	-	-	-	63,652
	2019	95,060	-	-	-	-	-	-	95,060
Steffen Haber President	2021	479,592 ⁽¹⁾	-	-	-	-	-	-	479,592
	2020	326,840	-	-	-	-	-	-	326,840
	2019	408,471	-	-	-	-	-	-	408,471
Marcus Brune Vice-President, Finance	2021	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-
	2019	154,396	-	-	-	-	-	-	154,396

(1) In an effort to preserve its cash flow in the uncertain period created by the COVID-19 pandemic, the Corporation's Named Executive Officers have agreed that a portion of their salaries earned in the fiscal year ending August 31, 2020 will be paid in the fiscal year ending August 31, 2021: (i) \$77,194] for Jean-Sébastien Lavallée; (ii) \$82,034] for Steffen Haber.

(2) Discretionary bonus earned in the year ended August 31, 2020 and paid in the year ended August 31, 2021.

(3) A total amount of \$130,221 (\$71,596 in 2020 and \$109,781 in 2019) was paid to Consul-Teck Mining Exploration Inc. a private company of which Jean-Sébastien Lavallée is a shareholder and which is controlled by Jean-Raymond Lavallée, a director of the Corporation who did not renew his mandate at the meeting of September 16, 2021. This total amount includes (i) \$130,221 (\$68,996 in 2020 and \$109,781 in 2019) representing exploration and/or development work on the Corporation's properties, and (ii) \$2,600 in 2020 for the payment of the renewal fees of the Corporation's mining titles by Consul-Teck Mining Exploration Inc. which, as part of its mandate, manages the Corporation's mining titles.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jean-Sébastien Lavallée ⁽²⁾	1,025,000 350,000	0.56 1.25	November 29, 2021 February 27, 2023	779,000 24,500	- -	- -	- -
Steffen Haber ⁽³⁾	1,000,000 350,000	0.56 1.25	November 29, 2021 February 27, 2023	760,000 24,500	- -	- -	- -
Marcus Brune	300,000	1.25	February 27, 2023	21,000	-	-	-
Nathalie Laurin ⁽⁴⁾	600,000 150,000	0.56 1.25	November 29, 2021 February 27, 2023	456,000 10,500	- -	- -	- -

(1) Based on the closing price of the Corporation's common shares on August 31, 2021 (\$1.32).

(2) On October 19, 2021, Jean-Sébastien Lavallée exercised 1,025,000 options at \$0.56 each.

(3) On October 19, 2021, Steffen Haber exercised 1,000,000 options at \$0.56 each.

(4) Nathalie Laurin exercised (i) 305,000 options at a price of \$0.56 each on October 19, 2021, and (ii) 295,000 options at a price of \$0.56 each on December 29, 2021, following a blackout period ending on December 22, 2021.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

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 (\$)
Jean-Sébastien Lavallée	-	-	-
Steffen Haber	-	-	-
Marcus Brune	-	-	-
Nathalie Laurin	-	-	-

Pension Plan Benefits

The Corporation does not have a Defined Benefits Pension Plan or a Defined Contribution Pension Plan.

Termination and Change of Control Benefits

The Corporation may terminate the employment contract of an employee, including an employee who is an NEO, for a serious reason under Section 2094 of the Civil Code of Quebec at any time, without notice or compensation. If the Corporation terminates the contract without a serious reason within the meaning of Section 2094 of the Civil Code of Quebec, the Corporation shall give the employee, including an employee who is an NEO, notice of termination or compensation in lieu of such notice, the whole in accordance with the following terms and conditions:

Years of service to the Corporation	Lump sum
1 to 3 years	6 months of salary
More than 3 and up to 5 years	18 months of salary
More than 5 years	24 months of salary

In the event that an employment contract is terminated within a period of sixty (60) days before or one hundred eighty (180) after a change of control, or the Corporation amends an employment contract in such a way that an employee, is unable to fulfill the duties and responsibilities assigned to him or her during that period, the employee shall be entitled to

a lump sum on termination of the contract, as follows:

- The employee's full salary at the date of termination, including expenses, unused annual vacation and any other amounts owed to the employee; and
- The following lump sum:

Years of service to the Corporation	Lump sum
1 to 3 years	6 months of salary
More than 3 and up to 5 years	18 months of salary
More than 5 years	24 months of salary

- Options that have vested as at the date of termination of the contract shall remain exercisable until the expiration date or as per the terms of the stock option plan in effect at that date.
- A payment equal to the greater of 100% of the employee's base salary and twice the average of the two highest bonuses paid to the employee over the three most recent years under the Corporation's bonus plan.

DIRECTORS' COMPENSATION

Directors' Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Corporation for the most recently completed financial year terminated on August 31, 2021:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$) ⁽³⁾	Total (\$)
Eric Zaunscherb	7,500	-	-	-	-	-	7,500
Marc Simpson	5,250	-	-	-	-	-	5,250
Matthew Lauriston Starnes	4,250	-	-	-	-	-	4,250
Charles B. Main ⁽¹⁾	5,000	-	-	-	-	-	5,000
Jean-Raymond Lavallée ⁽²⁾	-	-	-	-	-	130,221	130,221

(1) Charles B. Main served as a director of the Corporation until September 16, 2021.

(2) Jean-Raymond Lavallée served as director of the Corporation until September 16, 2021.

(3) A total amount of \$130,221 (\$71,596 in 2020 and \$109,781 in 2019) was paid to Consul-Teck Mineral Exploration Inc. a company of which Jean-Sébastien Lavallée is a shareholder and which is controlled by Jean-Raymond Lavallée, a director of the Corporation who did not renew his mandate at the September 16, 2021 Meeting. This total amount includes (i) \$130,221 (\$68,996 in 2020 and \$109,781 in 2019) representing exploration and/or development work on the Corporation's properties, and (ii) \$2,600 in 2020 for the payment of the renewal fees of the Corporation's mining titles by Consul-Teck Mining Exploration Inc. which, as part of its mandate, manages the Corporation's mining titles.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have not vested (\$)

Eric Zaunscherb	200,000	0.24	March 19, 2025	216,000	-	-	-
Marc Simpson ⁽²⁾	225,000	0.56	November 29, 2021	171,000	-	-	-
	150,000	1.25	February 27, 2023	10,500	-	-	-
Matthew Lauriston Starnes ⁽³⁾	225,000	0.56	November 29, 2021	171,000	-	-	-
	150,000	1.25	February 27, 2023	10,500	-	-	-
Charles B. Main ⁽⁴⁾	200,000	0.80	November 7, 2023	104,000	-	-	-
Jean-Raymond Lavallée ⁽⁵⁾	450,000	0.56	November 29, 2021	342,000	-	-	-
	150,000	1.25	September 16, 2022	10,500	-	-	-

(1) Based on the closing price of the common shares of the Corporation on August 31, 2021 (\$1.32).

(2) Effective October 19, 2021, Marc Simpson exercised 225,000 options at \$0.56 each.

(3) Effective October 28, 2021, Matthew Lauriston Starnes exercised 225,000 options at \$0.56 each.

(4) Charles B. Main served as a director of the Corporation until September 16, 2021; he exercised 200,000 options on September 27, 2021.

(5) Jean-Raymond Lavallée served as a director of the Corporation until September 16, 2021; he exercised 450,000 options on October 19, 2021 at a price of \$0.56 per option.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Corporation during the most recently completed financial year:

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 (\$)
Eric Zaunscherb	-	-	-
Marc Simpson	-	-	-
Matthew Lauriston Starnes	-	-	-
Charles B. Main	-	-	-
Jean-Raymond Lavallée	-	-	-

AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at August 31, 2021, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	6,750,000	\$0.72	7,674,591
Equity compensation plans not approved by security holders	-	-	-

TERMS AND CONDITIONS OF THE STOCK OPTION PLAN

Pursuant to the Plan, the Board may, from time to time and at its discretion, grant to directors, officers, employees or consultants of the Corporation (the "Grantee") options (and if the Omnibus Plan is approved, other long-term incentive awards) to acquire common shares of the Corporation for a maximum of 14,424,591 common shares of the Corporation.

Pursuant to the Plan, the number of common shares reserved for issuance to a Grantee shall not exceed, in any twelve (12) months, 5% of the issued and outstanding common shares at the time of grant. In the case of a consultant, that number will not exceed, in any 12-month period, 2% of the issued and outstanding common shares. As for persons involved in investor relations activities, the number of common shares reserved for issuance shall not exceed, individually or collectively, in any 12-month period, 2% of the issued and outstanding common shares.

The Plan provides that the terms of the option (and if the Omnibus Plan is approved, other long-term incentive awards) and the option price shall be fixed by the directors. The exercise price shall not be less than the closing price of the common shares of the Corporation on the Exchange on the trading day immediately preceding the date of grant. In the event that there were no transactions, the exercise price shall be determined by the average between the closing “bid” and the closing “ask” price on the trading day immediately preceding the date of grant. Stock options granted under the Plan expire, if not previously exercised, by the 10 anniversary of their grant date, and the exercise price must be paid in full upon exercise of the option. Options granted under the Plan are non-assignable.

Options granted to a director or officer expire as follows:

Term of office with the Corporation	Revised Expiry Date
From 0 to 3 months	Effective date of termination
More than 3 months to 1 year	1 month following effective date of termination
More than 1 year to 3 years	3 months following effective date of termination
More than 3 years	12 months following effective date of termination

In the case of a consultant, the expiry date shall be the earliest of:

- The expiry date of the option;
- Thirty (30) days following the effective date of termination if the Consultant has been providing services to the Corporation for less than 2 years;
- Ninety (90) days following the effective date of termination if the Consultant has been providing services to the Corporation for 2 years or more.

Options granted to individuals providing investor relations services expire on the earlier of thirty (30) days after the date on which the grantee ceases to be eligible under the plan and the option expiry date.

Going forward, the Corporation proposes to adopt the Omnibus Plan, which will provide the Board with more flexibility to tailor awards to the particular circumstances and incentive structure. See disclosure under heading “Approval of the Omnibus Plan”.

D- CORPORATE GOVERNANCE

General Comment

National Policy 58-201 Corporate Governance Guidelines and Regulation 58-101 Disclosure of Corporate Governance Practices set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

Board of Directors

Independent directors

As of the date of this Circular, the independent directors of the Corporation are Eric Zaunscherb, Marc Simpson, Ani Markova, Matthew Lauriston Starnes, Vanessa Laplante and Maysa Habelrih.

Non Independent directors

Jean-Sébastien Lavallée is a non-independent director of the Corporation in light of his position as CEO and his involvement in the day-to-day operations of the Corporation.

Steffen Haber is a non-independent director of the Corporation in light of his position as President of the Corporation.

Marcus Brune is a non-independent director of the Corporation in light of his position as Vice-President Finance of the Corporation.

Directorships

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Director's name	Issuer
Marc Simpson	Vanadian Energy Corporation
Eric Zaunscherb	GR Silver Mining Ltd Outback Goldfields Corp. TriStar Gold Inc.
Ani Markova	SilverCrest Metals Inc.

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

On June 14, 2021, the Corporation adopted a code of business conduct and ethics ("**Code of Ethics**") for its directors, officers and employees, as well as its subsidiaries, divisions and affiliates regardless of their position in the organization, at all times and business jurisdictions. The Code of Ethics is reviewed periodically by the Audit Committee and the Governance and Nominating Committee which will recommend any amendments as required to the Board for approval. The Code of Ethics sets forth general principles on (i) compliance with laws, rules and regulations; (ii) conflicts of interests; (iii) confidentiality; (iv) protection and proper use of assets; (v) insider trading; (vi) faire dealing; (vii) equal opportunity; (viii) treating each other with dignity, respect and trust; (ix) health and safety; (x) environmental protection; (xi) community engagement; (xii) financial and business disclosure and accuracy of the Corporation's records and reporting; (xiii) use of communication platforms and tools; and (xiv) payment to domestic and foreign officials, gifts and entertainment. The Code of Ethics does not supersede the specific policies and procedures of the Corporation that are in effect. Individuals that report violation under the Code of Ethics to their supervisor, member of senior management or through the direct or anonymous channels outlined in the Corporation's whistleblower policy. Copies of the Code of Ethics, the whistleblower policy and other policies of the Corporation such as the disclosure and confidentiality policy, the environmental and social responsibility policy, the clawback policy, the diversity policy, the Insider Trading Policy and the anti-bribery and anti-corruption policy are available on the Corporation's website at www.ceccorp.ca.

Nomination of Directors

The Board recognizes the benefits of a diversity of views on the Board, achieved through a diversity of knowledge, skills, competencies, experiences, race, gender, ethnicity, age, and culture. The Board, as currently comprised, includes a diversity of skills and experience in multiple areas, including mining, geology, legal and engineering. Recommendations concerning director nominees are, foremost, based on merit, qualifications and performance, but diversity is also a consideration. Recognizing the potential benefits of diversity, where Board renewal or expansion of the Board is being considered, the Board will place an emphasis on identifying qualified candidates, and will prioritize gender diversity as well as others diverse in ethnicity, race, age, and culture, within the context of the knowledge, skills, competencies and experiences the Board requires. The Board also recognizes the potential benefits of diversity, at the level of executive management, having direct responsibility for the day-to-day management of the Corporation. While diverse individuals are evaluated, directors, executive officers and employees will be recruited and/or promoted based upon merit, their respective abilities and contributions. Currently one executive management position in the Corporation (25%), Chief Financial Officer, is held by a woman and, three Board members are women. While merit, qualifications and performance are fundamental considerations in recruitment and appointment, the Board considers the level of gender diversity, together with the level of overall diversity in the Company, in executive management when making or approving appointments.

The Board acknowledges that having a diverse board and executive management structure may provide for improved employee retention and may better reflect the diversity of the communities the Corporation operates in.

On June 14, 2021, the Board adopted a formal, written charter for the Governance and Nominating Committee that sets out the new nominating committee's composition, meetings, procedures, reporting, and responsibilities. See section "Governance and Nominating Committee".

Diversity Policy

On June 14, 2021, the Board adopted a formal, written diversity policy (the "**Diversity Policy**") relating to the nomination and appointment of directors and officers who are women, Aboriginal peoples, persons with disabilities or members of visible minorities (collectively, the "**Designated Groups**"). The purpose of such Diversity Policy is to promote an environment for the consideration of diversity of the Board and the composition of management. Under the Diversity Policy, the potential benefits of a diverse leadership to the sustained success of the Corporation are recognized and the Board is tasked to consider, in its director nomination recommendations, an appropriate representation of the Designated Groups. Under the Diversity Policy, the Governance and Nominating Committee is responsible for identifying individuals qualified to become new Board members based on internal guidelines. These guidelines include a commitment for the Board to seek out highly qualified individuals diverse in gender, ethnicity, race, age, and culture to include in the pool from which Board nominees are evaluated and chosen as and when required for Board expansion or the normal renewal process of change.

The Governance and Nominating Committee will periodically assess the effectiveness of the nomination and appointment process generally, as well as the effectiveness of the Diversity Policy, and monitor the implementation of the Diversity Policy as determined by the Board to be appropriate. The Board does not currently set targets with respect to the diversity of the Board and executive management, including in respect of each Designated Group given the size and stage of the Corporation, but may consider doing so and making recommendations related thereto for consideration and approval of the Board, as and when determined appropriate.

CBCA Requirements

The provisions of Bill C-25 regarding diversity on boards of directors and among senior management, as well as the associated regulations, were approved by Order in Council of the Government of Canada. These provisions set out a requirement that all distributing corporations, as defined under the CBCA, (including the Corporation), for all annual meetings held on or after January 1, 2020, shall report on the representation of the Designated Groups. If all nominees proposed for election at the Meeting are elected, there will be two women on the Board.

As of the date of this Circular, for each of the designated groups, the Corporation has not tailored a target number or percentage, or range of target numbers or percentages, for members of the designated groups to serve on the Board or as members of senior management by a specific date, as it believes that that imposing targets based on specific selection criteria would limit the Corporation's ability to ensure that the overall composition of the Board and senior management meets the needs of the Corporation and its shareholders.

As of the date of this Circular, the Board has three women. The number and proportion of directors and executive officers who self-identify as members of the designated groups are as follows:

Board of Directors

Designated Group⁽¹⁾	Number	Proportion
Women	3	33%
First Nations	0	0
Persons with Disabilities	0	0
Visible Minorities	0	0

(1) The number and proportion of directors who identify themselves as members of the designated groups were provided by the respective directors on a voluntary basis and these responses have not been independently verified by the Corporation.

Members of the Senior Management

Designated Group⁽¹⁾	Number	Proportion
Women	1	25%
First Nations	0	0
Persons with Disabilities	0	0
Visible Minorities	0	0

(1) The number and proportion of executives who identify themselves as members of the designated groups were provided by the respective directors on a voluntary basis and these responses have not been independently verified by the Corporation.

Compensation Committee

The members of the Compensation Committee are independent. The primary function of the Compensation Committee is to assist the Board in fulfilling its oversight responsibilities with respect to aligning compensation and incentives with short-term and long-term strategic goals of the Corporation, including:

- compensation of the Corporation's CEO and other executive officers;
- develop and oversee the Corporation's management compensation structure, policies and programs; and
- produce an annual report on executive compensation for public disclosure in the Corporation's proxy statement or otherwise, as required by applicable securities laws and the rules and regulations promulgated thereunder.

On June 14, 2021, the Board adopted a written charter that sets forth the responsibilities, powers and operations of the Compensation Committee, which include: reviewing and approving the corporate goals and objectives relevant to the compensation of the CEO; evaluating the CEO's performance in light of the previously established corporate goals and objectives; recommending to the Board the CEO's compensation package based on its evaluation of the CEO's performance; reviewing and, if appropriate, approving employment agreements, severance arrangements, retirement arrangements, change in control agreements and provisions, and any special or supplemental benefits for each executive officer; reviewing the grants of options to purchase shares of the Corporation, at the request of the Board; review and make recommendations to the Board with respect to the compensation to be paid to directors for service on the Board and Board committees; and managing the Board's relations with shareholders on executive compensation matters.

The Compensation Committee has the power to retain independent legal or other relevant advisors as it determines necessary to allow it to discharge its responsibilities, at the expense of the Corporation. The Compensation Committee meets at least twice annually.

Governance and Nominating Committee

On June 14, 2021, the Board adopted a formal, written charter for the Governance and Nominating Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Governance and Nominating Committee at least three directors that are "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at Committee meetings are decided by a majority of votes cast.

The Governance and Nominating Committee's principal responsibility is one of alignment of Board and senior management diverse skills with Corporate goals and strategies, as well as the direct oversight of the effectiveness of policies and procedures. In fulfilling its responsibilities, the Governance and Nominating Committee will, among other

things, identify and recommend to the Board individuals qualified to become members of the Board, following the Corporation's current charters and policies.

The Governance and Nominating Committee will review, on an annual basis, the composition, organization and size of the Board in order to ensure that the Board has the requisite expertise and that its membership consists of persons with sufficiently diverse and independent backgrounds. The Governance and Nominating Committee will maintain a matrix of the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess and the competencies and skills that the Board considers each existing director to possess in order to identify any competency and skill gaps on the Board. The Governance and Nominating Committee will establish and oversee a policy for considering shareholder nominees for directors and develop the procedures that must be followed by shareholders in submitting recommendations. The Governance and Nominating Committee will review periodically the overall succession planning for the Chair of the Board and, when appropriate, recommend to the Board the process for selecting the Chair of the Board, participate with the Compensation Committee in the selection and recruitment of any new CEO or other senior officer who may be considered to serve as a director and prepare an annual report to the Board on succession planning, which should include policies and principles for CEO selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the CEO and ensure that a CEO succession plan is in place.

The Governance and Nominating Committee is responsible for overseeing the establishment and implementation of the Corporation's corporate governance policies and practices and for monitoring, at least on an annual basis, the Corporation's performance against such policies and practices, as well as applicable laws and regulations. The Committee will provide an orientation and education program for new directors. The Governance and Nominating Committee will monitor the appropriateness of implementing structures from time to time to ensure that the Board functions independently of management. The Committee will, on an annual basis, oversee the evaluation of the Board, its committees and the contribution of individual directors to determine whether the Board, its committees and the directors are functioning effectively.

The members will be determined by the Board at its first meeting following the Meeting. All members of the Governance and Nominating Committee are to be independent directors of the Corporation. All members of the Governance and Nominating Committee, are to have a working knowledge of governance and corporate issues.

Environmental and Social Responsibility Committee

On June 14, 2021, the Board adopted a formal, written charter for the Environmental and Social Responsibility Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Environmental and Social Responsibility Committee at least three directors that are "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at Committee meetings are decided by a majority of votes cast.

The Environmental and Social Responsibility Committee is responsible for reviewing proposed safety, environmental and social sustainability-related goals and objectives aligned with Corporate purpose, mission and vision for inclusion in the Corporate compensation programs. In fulfilling its responsibilities, the Environmental and Social Responsibility Committee is responsible for reviewing proposed safety, environmental and social policies. The Committee will, among other things, review, monitor or recommend to the Board for approval strategies, policies and programs in all areas relating to environment and social responsibility. The Environmental and Social Responsibility Committee will also assist the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant safety, environmental or social risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management's implementation of such action plans.

. The members will be determined by the Board at its first meeting following the Meeting. All members of the Environmental and Social Responsibility Committee will be independent directors of the Corporation. All members of the Environmental and Social Responsibility Committee will have a working knowledge of environmental and social issues.

Technical Committee

On June 14, 2021, the Board adopted a formal, written charter for the Technical Committee that sets out the committee's composition, meetings, procedures, reporting, and responsibilities. Among other things, the charter requires the Board to appoint to the Technical Committee at least three directors, the majority of members shall be "independent" within the meaning of section 1.4 of Regulation 52-110 *Respecting Audit Committees* or any other applicable rules of securities

regulatory authorities and stock exchanges. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by a majority vote of all the Committee members. Decisions at Committee meetings are decided by a majority of votes cast.

The Technical Committee's principal responsibility is one of oversight. In carrying out these oversight responsibilities, the Technical Committee is not providing any expert or special assurance as to the Corporation's technical studies or any professional certification as to the independent consultants' work. The Technical Committee is responsible for reviewing proposed short-term and long-term operational-related (including production and costs) goals and objectives for inclusion in the Corporation's compensation programs, making recommendations to the Compensation Committee on such goals and objectives and monitoring performance against such goals and objectives throughout the year. The Technical Committee assists the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant technical and operating related risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management's implementation of such action plans.

The Technical Committee will review and oversee proposed third-party transactions and report to the Board on the technical merits of such transactions.

. The members will be determined by the Board at its first meeting following the Meeting. All members of the Technical Committee to be independent directors of the Corporation. All members of the Technical Committee will have a working knowledge of technical and operating related issues.

Assessments

An evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board. This task is the responsibility of the Board and the Governance and Nominating Committee who annually reviews its operation as well as its directors' role, and its members are encouraged to give feedback regarding the effectiveness of the Board as a whole, its practices and individual directors will, when necessary, make recommendations to the Board.

Furthermore, each committee has a charter that provides at least once every two years, the committee's duties, responsibilities and performance are reviewed and the committee will determine if any changes in practices of the committee or amendments to its charter are necessary or otherwise deemed appropriate by the committee.

E- AUDIT COMMITTEE

Charter and Composition of the Audit Committee

The text of the Audit Committee's charter is attached hereto as Schedule "A". This charter has been revised and adopted by the Board on June 14, 2021.

Composition of the Audit Committee

As of the date of this Circular, the members of the audit committee of the Corporation are Eric Zaunscherb, Ani Markova and Marc Simpson. All such members are financially literate and independent members of the Audit Committee, as such terms are defined in *Multilateral Instrument 52-110*.

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below:

Eric Zaunscherb is a Canadian mining executive focused on building strong management teams for the responsible exploration and development of quality mineral assets. He is the Chair of the Board of Directors of Critical Elements Lithium Corp. since 2020 and the Chief Executive Officer and Chair of GR Silver Mining Ltd. since March 2022. He is an independent director of TriStar Gold Inc. and Outback Goldfields Corp. Originally an exploration geologist, Mr. Zaunscherb spent 34 years as a mining analyst, most recently serving as Managing Director, Research - Metals and Mining Analyst at a leading investment bank where he coordinated the global mining equity research team. He welcomes new technologies and industry initiatives in diversity and socially responsible investing, ensuring that local communities receive sustainable benefits from mineral resource development.

Ani Markova is an award-winning portfolio manager with more than 15 years of experience investing in the mining and metals sector, currently an officer and director of SilverCrest Mining. She is Chair of the Safety, Social and Environmental Responsibility Committee and a member of the Audit and Compensation Committees of SilverCrest. She is the founder and CEO of Investor View Advisory engaged with public companies on environmental, social and governance (ESG) reporting and integration. Ms. Markova holds an MBA from George Washington University in Washington DC, a Chartered Financial Analyst (CFA) designation, an Investment Manager (ICM) designation and a Corporate Board International (CDI.D) designation.

Marc Simpson has is a professional geologist who has worked in the mining and exploration industry for over thirty (30) years. He has worked for Junior, Mid-tier and Senior mining companies on projects both in Canada and worldwide, including Bema Gold (sold to Kinross for \$3.5 billion in 2007), B2Gold, and Echo Bay Mines. Mr. Simpson is President, CEO and Director of Vanadian Energy Corporation. He received B.Sc. from the University of Manitoba is a member of both Engineers and Geoscientists British Columbia and Engineers and Geoscientists Manitoba.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended August 31, 2021, was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's financial year ended August 31, 2021 the Corporation relied on the exemption provided under section 2.4 of MI 52-110 (*De minimis Non-audit Services*) or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110 (*Exemptions*).

However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110 given that it is a venture issuer as defined in MI 52-110.

Pre-Approval Policies and Procedures

The audit committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule "A".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit-Related Fees	Tax Fees⁽²⁾	All Other Fees⁽³⁾
August 31, 2021	\$65,494	-	\$4,387	\$10,700
August 31, 2020	\$36,800	-	\$4,280	-

(1) These fees relate to services consisting of audit of the financial statements financiers.

(2) These fees relate to income taxes returns, tax advice including the review of the financial model and advice on the related tax assumptions and dealings with Revenue Québec.

(3) These fees are for services related to the base prospectus.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended August 31, 2021, and as at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD TO FIX THE REMUNERATION OF THE AUDITORS

KPMG LLP Chartered Accountants of Montreal, are the auditors of the Corporation since February 14, 2013. The Board proposes the reappointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the financial year ending August 31, 2021. Furthermore, for practical reasons, it is timely at the Meeting to authorize the Board to fix the remuneration of the auditors.

The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of KPMG LLP as auditors and that the Board be authorized to fix the auditors remuneration, unless the shareholder specifies in his form of proxy his wish to withhold from voting.

F- APPROVAL OF THE OMNIBUS PLAN

The Board adopted an omnibus equity incentive plan (the “**Omnibus Plan**”) as of July 6, 2022. The adoption is subject to the approval of shareholders to be obtained at the Meeting which is intended to replace the Corporation’s current Stock Option Plan adopted on November 29, 2016. The Board determined that it is desirable to have a wide range of incentive awards, including stock options (“**Options**”), Restricted Share Units (“**RSUs**”), Performance Share Units (“**PSUs**”) and Deferred Share Units (“**DSUs**”), (individually, an “**Award**” and collectively, the “**Awards**”) to attract, retain and motivate employees, directors, executive officers and consultants of the Corporation.

The full text of the Omnibus Plan is attached to this Circular as Schedule “C”. Any capitalized undefined terms in this section shall have meaning ascribed to it in the Omnibus Plan.

The Omnibus Plan permits the grant of Options, RSUs, PSUs, DSUs to eligible Participants (as defined in the Omnibus Plan). The Omnibus Plan, and any Awards issued thereunder, will be effective upon the ratification of the Omnibus Plan by shareholders of the Corporation. Thereafter, the Omnibus Plan will continue to be effective until the date it is terminated by the Board in accordance with the Omnibus Plan. The Omnibus Plan will replace the Stock Option Plan. Subject to compliance with the policies of the Exchange, all outstanding Options granted under the Stock Option Plan (the “**Predecessor Options**”) shall continue to be outstanding as awards granted under and subject to the terms of the Omnibus Plan, provided however that all Options which have been granted under the Omnibus Plan remain in force in accordance with their existing terms.

The purpose of the Omnibus Plan is to: (i) provide the Corporation with a mechanism to attract, retain and motivate highly qualified directors, officers, employees and consultants of the Corporation and its affiliates; (ii) align the interests of Participants with that of other shareholders of the Corporation generally; and (iii) enable and encourage Participants to participate in the long-term growth of the Corporation through the acquisition of common shares of the Corporation as long-term investments.

Under the Omnibus Plan, the aggregate number of common shares reserved for issuance pursuant to Awards other than for Options granted under the Omnibus Plan shall not exceed 20% common shares issued and outstanding at its Effective Date. To the extent any Awards other than for Options (or portion(s) thereof) under the Omnibus Plan terminate or are cancelled for any reason prior to exercise, then any common shares subject to such Awards (or portion(s) thereof) shall be added back to the number of common shares reserved for issuance under the Omnibus Plan and will again become available for issuance pursuant to the exercise of Awards (other than for Options) granted under the Omnibus Plan. Common shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award (other than for Options) that is settled in cash.

For so long as the Corporation is listed on the Exchange:

- (a) the maximum number of common shares for which Awards may be issued to any one Insider (as defined by the Exchange) shall not exceed 10% of the outstanding common shares at any point in time, unless the Corporation obtains disinterested shareholder approval as required by the policies of the Exchange;
- (b) the maximum number of common shares for which Awards may be issued to Insiders as a group in any 12-month period shall not exceed 10% of the outstanding common shares, calculated on the date an Award is granted to the Participant, unless the Corporation obtains disinterested shareholder approval as required by

the policies of the Exchange;

- (c) the maximum number of common shares for which Awards may be issued to any one Participant in any 12-month period shall not exceed 5% of the outstanding common shares, calculated on the date an Award is granted to the Participant, unless the Corporation obtains shareholder approval as required by the policies of the Exchange;
- (d) the aggregate number of common shares for which Awards may be issued to any one Consultant (as defined by the Exchange) within any 12-month period shall not exceed 2% of the outstanding common shares, calculated on the date an Award is granted to the Consultant;
- (e) the aggregate number of common shares for which Awards may be issued to Investor Relations Service Providers (as the term is defined in the Omnibus Plan) as a group within any 12-month period shall not exceed 2% of the outstanding common shares, calculated on the date an Award is granted to the Consultant, and such Awards shall only include Options; and
- (f) Options granted to Investor Relations Service Providers shall be subject to the vesting requirements set out in Exchange Policy 4.4 - *Security Based Compensation* (the "**Policy 4.4**"), and Awards granted to all other Participants shall be subject to the vesting requirements of the Policy 4.4.

The Omnibus Plan provides for customary adjustments or substitutions, as applicable, in the number of common shares that may be issued under the Omnibus Plan in the event of a merger, arrangement, amalgamation, consolidation, reorganization, recapitalization, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Corporation, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to the Corporation's shareholders, or any similar corporate event or transaction. The Omnibus Plan also provides, with respect to DSUs, PSUs and RSUs, for the payment of dividend equivalents in the amount that a Participant would have received if DSUs, PSUs and RSUs had settled for common shares on the record date of dividends declared by the Corporation provided that if the number of securities issued as dividend equivalents, together with all of the Corporation's other share-based compensation, would exceed 10% of the Corporation's issued shares (or any of the other limits set forth in the Policy 4.4, including limits on grants with respect to individuals, Insiders, Consultants and Investor Relations Service Providers) then such dividend equivalents will be paid in cash.

Plan Administration

The Omnibus Plan will be administered by the Board, which may delegate its authority to any duly authorized committee of the Board (the "**Plan Administrator**"). Except as otherwise provided in the Omnibus Plan, the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals (the "**Participants**") to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, RSUs, PSUs, DSUs or Other Share-Based Awards), in such amounts, to such Participants and, subject to the provisions of the Omnibus Plan, on such terms and conditions as it determines, including, without limitation:
 - i) the time or times at which Awards may be granted;
 - ii) the conditions under which:
 - A. Awards may be granted to Participants; or
 - B. Awards may be forfeited to the Corporation,including vesting and any conditions relating to the attainment of specified performance goals;
 - iii) the number of Shares to be covered by any Award;
 - iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
 - v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and

- vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements (as defined in the Omnibus Plan);
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Omnibus Plan;
- (e) construe and interpret the Omnibus Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to the Omnibus Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;
- (g) if an Award is to be granted to Employees, Consultants, or Management Company Employees, the Plan Administrator and the Participant to whom that Award is to be granted are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant, or Management Company Employee; and
- (h) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Omnibus Plan.

Notwithstanding the foregoing, the grant of any Other Share-Based Awards that are not Options, Deferred Share Units, Restricted Share Units or Performance Share Units will be subject to Exchange and shareholder approval (as applicable).

Change of Control

If there is a Change in Control (as defined in the Omnibus Plan), the Plan Administrator may take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iii) the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) any combination of the foregoing. Any such actions taken in connection with a Change in Control must comply with the policies of the Exchange including, without limitation, the requirement that the acceleration of vesting of Options granted to Investor Relations Service Providers shall only occur with the prior written approval of Exchange.

Incentive Awards

Options

Subject to the terms and conditions of the Omnibus Plan and any policies of the Exchange, the Board may grant Options to Participants in such amounts and upon such terms (including the exercise price, duration of the Options, the number of common shares to which the Option pertains, and the conditions, if any, upon which an Option shall become vested and exercisable) as the Board shall determine.

The exercise price of the Options will be determined by the Board at the time any Option is granted. In no event will such exercise price be lower than the last closing price of the common shares on the Exchange. Except where a Participant elects for a Net Exercise (as defined below), such price upon exercise of any Option shall be payable to the Corporation in full in cash, certified cheque or wire transfer.

Subject to prior approval by the Board, a Participant may elect to surrender for cancellation to the Corporation any vested Options in accordance with the net exercise policies of the Exchange (a "**Net Exercise**"). In connection with a Net Exercise, the Corporation will issue to the Participant, as consideration of the Options, that number of Option Shares (as defined in the Omnibus Plan) determined on a net issuance basis in accordance with the following formula below:

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

where:

X = The number of Option Shares issuable to the Participant as consideration for respect of the exchange or surrender of an Option under Section 4.7 of the Omnibus Plan;

Y = The number of Option Shares issuable with respect to the vested portion of the Option to be exercised by the Participant (the "**Subject Options**");

A = The VWAP of the Shares; and

B = The Exercise Price of the Subject Options.

Unless otherwise specified in an Award Agreement (as defined in the Omnibus Plan), and subject to any provisions of the Plan or the applicable Award Agreement relating to acceleration of vesting of Options, Options shall vest subject to Exchange policies (including Exchange Policies with respect to the vesting of Options granted to person performing Investor Relations Activities (as defined in the Omnibus Plan), and the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Subject to any requirements of the Exchange, the Board may determine the expiry date of each Option. Subject to a limited extension if an Option expires during a black-out period, Options may be exercised for a period of up to ten (10) years after the grant date, provided that: (i) upon a Participant's termination for cause, all Options, whether vested or not, as at the date on which a Participant ceases to be eligible to participate under the Omnibus Plan (the "**Termination Date**") as a result of termination of employment, will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested Options as at the Termination Date shall automatically and immediately vest, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable until the earlier of the original expiry date of the award and 12 months after the Termination Date; (iii) in the case of the disability of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the Retirement of a Participant, all Options shall remain and continue to vest (and are exercisable) in accordance with the terms of the Omnibus Plan for a period of 12 months after the Termination Date, provided that any Options that have not been exercised (whether vested or not) within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; and; (v) in all other cases where a Participant ceases to be eligible under the Omnibus Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Board, all unvested Options shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested Options will continue to be subject to the Omnibus Plan and be exercisable for a period of 90 days after the Termination Date, provided that any Options that have not been exercised within 90 days after the Termination Date shall automatically and immediately expire and be forfeited on such date.

Share Units

The Board is authorized to grant RSUs, PSUs and DSUs evidencing the right to receive common shares (issued from treasury), cash based on the value of a Common Share or a combination thereof at some future time to eligible persons under the Omnibus Plan.

RSUs generally become vested, if at all, following a period of continuous employment. PSUs are similar to RSUs, but their vesting is, in whole or in part, conditioned on the attainment of specified performance metrics as may be determined by the Board. The terms and conditions of grants of RSUs and PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to these Awards will be set out in the Participant's Award Agreement.

Subject to the achievement of the applicable vesting conditions, the payout of an RSU or PSU will generally occur on the settlement date. The payout of a DSU will generally occur upon or following the Participant ceasing to be a director, executive officer, employee or consultant of the Corporation, subject to satisfaction of any applicable conditions.

Shareholders Approval of the Omnibus Plan

The Omnibus Plan which is subject to the approval of disinterested shareholders; by excluding votes cast by insiders eligible to receive Awards pursuant to the Omnibus Plan and their associates. The text of the resolutions approving the Omnibus Plan (the "**Omnibus Plan Resolution**") is set out in Schedule "B" of this Circular. The Omnibus Plan Resolution must be

approved by not less than a majority of the votes cast in respect thereof by shareholders other than insiders of the Corporation eligible to receive awards under the Omnibus Plan and their associates. The Corporation's shareholders eligible to receive Awards under the Omnibus Plan and their associates hold an aggregate of 9,878,069 common shares, representing 4.76% of the Corporation's issued and outstanding common shares.

The Corporation has applied to the Exchange to accept the Omnibus Plan, subject to the approval of shareholders as described herein. Accordingly, the Omnibus Plan, as described herein and as attached as Schedule "C" is subject to the approval of the Exchange and to any comments it may have, if applicable.

The Board has determined that the Omnibus Plan is in the best interests of the Corporation and its shareholders.

In the absence of any indication by the mandator, the agent will exercise the right to vote IN FAVOUR of the ratification, the approbation and the confirmation of the Omnibus Plan defined on the form of proxy, in the Notice of Meeting or in the Circular.

OTHER MATTERS

Management knows of no other matter to come before the Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

SHAREHOLDER PROPOSALS

The CBCA provides, in effect, that a Registered Shareholder or a Beneficial Shareholder that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The CBCA further provides, in effect, that the Corporation must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management proxy circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Corporation. As the notice in connection with the Meeting is dated July 15, 2022, the deadline for submitting a proposal to the Corporation in connection with the next annual meeting of shareholders is April 16, 2023.

The foregoing is a summary only; shareholders should carefully review the provisions of the CBCA relating to Proposals and consult with a legal advisor.

For the Meeting contemplated by this Circular, no proposal was made by the shareholders to the Corporation.

ADDITIONAL INFORMATION

Additional financial information is provided in the comparative financial statements of the Corporation, in the Management's discussion and analysis of the financial condition and in the Management's report in the statement of operations for the financial year ended August 31, 2021. Copies of this circular and the documents mentioned hereinabove are available on the Corporation's website (www.cec corp.ca) as well as on SEDAR (www.sedar.com).

Additional copies are also available by contacting the Corporation at its administrative office:

1080, Côte du Beaver Hall, Suite 2101
Montréal, Québec, H2Z 1S6
Telephone: 514-904-1496 / Facsimile: 514-904-1597
E-mail: nlaurin@cec corp.ca

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Circular have been approved by the directors of the Corporation.

Montreal, August 9, 2022

By order of the Board of Directors

(s) Jean-Sébastien Lavallée

Jean-Sébastien Lavallée,
Chief Executive Officer

SCHEDULE A AUDIT COMMITTEE CHARTER

The board of directors (the "**Board**") of Critical Elements Lithium Corp. ("**Critical Elements**" or the "**Corporation**") has established an Audit Committee (the "**Committee**") whose membership, authority and responsibilities shall be as set out in this Charter, as it may be amended from time to time by the Board. The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* ("MI 52-110").

MANDATE AND OBJECTIVES

The mandate of the audit committee of the Corporation (the "**Committee**") is to assist the Board in fulfilling its oversight responsibilities with respect to:

- a) the integrity of the Corporation's and its subsidiaries' financial statements and reporting process,
- b) the Corporation's compliance with legal and regulatory requirements,
- c) the external auditor's qualifications and independence,
- d) the performance of the Corporation's internal and external audit functions,
- e) the preparation of any report of the Audit Committee required to be included in the Corporation's annual report, proxy material or other filings.

The head of the Corporation's internal audit function and the external auditors shall have direct and ready access to the chair of the Audit Committee (the "**Chair**").

COMPOSITION

The Committee shall be comprised of at least three (3) directors as determined by the Board annually post the annual meeting of shareholders. All members of the Committee shall be "independent" within the meaning of applicable rules of securities regulatory authorities and stock exchanges (the "**Listing Rules**"), and shall appoint one of the Members to chair the Committee.

All members shall, from and after the time of their respective appointments to the Committee, should possess "financial literacy" defined as having a practical knowledge of finance and accounting and the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity that can reasonably be expected to be raised by the Corporation's financial statements. In addition, Members may be required to participate in continuing education, if required by applicable law or the Listing Rules. At least one (1) of the Members shall be a "financial expert" as defined in the applicable Listing Rules.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholder's meeting. Members shall serve until the next annual meeting of shareholders or until their successors are duly appointed or until such member resigns, retires or is removed from the Committee by the Board. The Board may fill any vacancy in the Committee by appointment from among the directors of the Corporation. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

The Committee may form and delegate authority to subcommittees when appropriate.

MEETINGS AND PROCEDURES

The Committee shall meet at least four (4) times a year or more frequently, if required.

At all meetings of the Committee, every resolution shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote. In the absence of the Committee chair for any meeting, the Members shall elect a chair from those in attendance to act as chair of that meeting.

A quorum for meetings of the Committee shall be a majority of its members. The rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board, including meeting by teleconference, video conference and similar communications equipment.

Each meeting will include an in-camera session of (a) the Committee without members of management present and (b) the Committee with the independent auditor. At least annually, the Committee shall also hold in camera sessions with each of the Corporation's Chief Financial Officer ("CFO") and controller.

The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

REPORTING TO THE BOARD

Following each meeting of the Committee, the Committee shall report to the Board on the issues considered by the Committee, and any recommendations being made by the Committee for approval by the Board and on any actions taken by the Committee.

RESPONSIBILITIES, DUTIES AND POWERS

The Committee's principal responsibility is one of oversight. Critical Element's management is responsible for preparing the Corporation's financial statements, and the independent auditor is responsible for auditing and reviewing those financial statements. In carrying out these oversight responsibilities, the Committee is not providing any expert or special assurance as to Critical Element's financial statements or any professional certification as to the independent auditor's work.

The following are the general duties and responsibilities of the Committee:

1.0 External Auditor

The external auditor reports to the Committee. In carrying out its responsibilities with respect to the external auditor, the Committee shall:

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually, as well the compensation of such external auditors;
- b) oversee the work of the external auditor (including the resolution of disagreements between management and the independent auditor regarding financial reporting);
- c) review the audit plan and scope of the quarterly review and annual audit engagements with the external auditor;
- d) review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- e) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- f) on an annual basis, obtain and review a report from the external auditor regarding (a) the independent auditor's internal quality-control procedures; and (b) any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review, of the external auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to any independent audit carried out by the independent auditor, and any steps taken to deal with any such issues;
- g) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- h) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
- i) review and pre-approve all audit and audit-related services and fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:

- the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;
- such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
- such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

1.1 Financial Reporting

The Committee plays a critical role in the review and public release of the Corporation's financial information. In this regard, the Committee shall:

- a) review the Corporation's financial statements, MD&A of financial and operating results and any press releases regarding annual and interim earnings, prior to recommending the same for approval by the Board and filing with securities regulatory authorities and other public disclosure dissemination channels. The Committee shall, in conducting this review, discuss with management and the independent auditor:
 - i. the results of the external auditor's reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditor's activities or requested information and any significant disagreements with management; the Corporation's critical accounting policies and practices (and any proposed or actual changes), alternative accounting treatments (including any ramifications of the use of such alternative disclosures and treatments, the treatment preferred by the independent auditor, and an explanation of why the independent auditor's preferred method was not adopted), significant accounting and reporting issues and judgments; material written communications between the independent auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the independent auditor's review;
 - ii. the impact of regulatory and accounting initiatives, as well as off-balance sheet structures, if in existence, on the financial statements of the Corporation;
 - iii. whether actual results for the period varied significantly from budgeted, projected or previous results;
 - iv. any significant or unusual events or transactions that require disclosure;
 - v. any correspondence with regulators or governmental agencies or any individual complaints raised through the Whistleblowing channel which raise material issues with respect to the Corporation's financial statements or accounting policies;
 - vi. the independent auditor's perception of the Corporation's financial and accounting personnel, records and systems, the cooperation which the external auditor received during the course of its review or audit and the availability of records, data and other requested information and any recommendations with respect thereto;
 - vii. any legal or business matters that may have a material impact on the financial statements or the Corporation's compliance policies; and
 - viii. whether the independent auditor and management are satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information, including information extracted or derived from the financial statements and assess the adequacy of such procedures;
- b) review, with management and the independent auditor, risks of material misstatement due to fraud, and the processes and controls implemented by the Corporation to manage the risks;

- c) discuss with management generally the types of information (including financial information and earnings guidance) to be disclosed in earnings press releases and earnings calls, as well as to analysts and rating agencies;
- d) receive confirmation from the Chief Executive Officer (the “CEO”) and CFO that reports to be filed have been prepared in accordance with the Corporation’s disclosure controls and procedures and contain no material misrepresentations or omissions and fairly present, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports; and receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by the reports.

Financial Reporting Processes

To ensure the integrity of the Corporation’s internal control over financial reporting and the adequacy of reporting procedures, the Committee shall:

- a) review annually, evaluate and discuss with the external auditor and management the adequacy and effectiveness of the Corporation’s internal controls over internal and external financial reporting, including reviewing and discussing any significant deficiencies or significant changes in the design or operation of the Corporation’s internal controls (including controls over interim and annual financial reporting, computerized information systems and cybersecurity), material weaknesses in internal controls and any fraud (whether or not material), and determine whether any internal control recommendations made by external auditor have been implemented by management;
- b) review and discuss with external auditor and management the Corporation’s process with respect to legal and regulatory disclosure requirements, risk assessment (including fraud risk), risk management and the Corporation’s major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks;
- c) review the Corporation’s Code of Business Conduct and Ethics and, in particular, the actions taken to monitor and enforce compliance; and
- d) establish procedures for the receipt, retention and treatment of complaints (Whistleblowing line) regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by individuals of concerns regarding questionable accounting or auditing matters.

Financial Management

The Committee shall recommend the appointment of the CFO to the Board and will review with the CFO the qualifications of new key financial executives involved in the financial reporting process.

On an annual basis, the Committee shall (a) review the adequacy and quality of Critical Element’s financial and accounting staff; and (b) review succession plans for the CFO and the controller.

Director and Officer Liability

The Committee shall review the Corporation’s insurance program on an annual basis, including the directors’ and officers’ (D&O) insurance and indemnities, and consider the adequacy of such coverage.

Related Party Transactions

The Committee shall review and oversee any proposed related party transaction or situation involving a director’s or officer’s potential or actual conflict of interest, other than routine transactions and situations arising in the ordinary course of business, as well as make recommendations to the Board as to whether any such transaction, contract or other arrangement should be approved or continued.

Risk Management

The Committee shall assist the Board in fulfilling its risk oversight responsibilities by, among other things, ensuring that processes are in place to enable management to identify significant financial related risks; ensuring that management establishes appropriate action plans to mitigate against such risks; and monitoring management’s implementation of such action plans.

Public Disclosure

In addition to the public disclosures specifically referenced elsewhere in this Charter, the Committee shall review and approve (or recommend to the Board for approval), prior to public release, such other public disclosures containing financial information including guidance with respect to earnings per share, financial information contained in any

prospectus, annual information form, annual report, management information circular, material change disclosure of a financial nature, as the Committee considers appropriate.

Access to Management & Information

The Committee will have full and free access to officers and employees of the Corporation and its books and records. Any meetings or contacts that the Committee wishes to initiate may be arranged through the CEO or the Corporate Secretary or directly by the chair or other member of the Committee. The Committee will use its judgment to ensure that any such contact is not disruptive to the business operations of the Corporation.

Advisors

The Committee has the authority to retain, obtain the advice of, and terminate any consultant, external legal counsel or other advisor, to assist it in the performance of its duties. Critical Elements will provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any advisor retained by the Committee. The Committee shall have sole authority to approve such consultants' fees and retention terms, and shall be directly responsible for the selection, compensation and oversight of the advisors it retains.

Committee Evaluation

The Committee shall review, at least once every two years, the Committee's duties, responsibilities and performance and determine if any changes in practices of the Committee or amendments to this Charter are necessary or otherwise deemed appropriate by the Committee. This review shall include reviewing with management and the external auditor the applicable law and the Listing Rules relating to the qualifications, activities, responsibilities and duties of audit committees and compliance therewith.

Additional Assignments

The Committee shall undertake such additional responsibilities as from time to time may be delegated to the Committee by the Board, required by Critical Elements' incorporation documents or bylaws or required by applicable law or stock exchange rules.

Board of Directors Approval Date: June 14, 2021
Next review: June 14, 2023

**SCHEDULE B
SHAREHOLDERS' RESOLUTION**

Ratification, Approbation and Confirmation of the Omnibus Plan

BE AND IT IS HEREBY RESOLVED:

THAT the Corporation's omnibus equity incentive plan (the "**Omnibus Plan**"), adopted by the Corporation's board of directors (the "**Board**") on July 6, 2022, as described and included in the Management Information Circular dated August 9, 2022 is hereby authorized, ratified, approved and confirmed;

THAT any one or more of the directors or officers of the Corporation is authorized and directed to make any necessary amendments to the Omnibus Plan to reflect the TSX Venture Exchange's comments, if applicable, in order to receive its approval; and

THAT any one or more of the directors or officers of the Corporation is authorized and directed, upon the Board resolving to give effect to this resolution, to take all necessary steps and proceedings to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.

**SCHEDULE C
THE OMNIBUS PLAN**

(See attached)

CRITICAL ELEMENTS LITHIUM CORPORATION
OMNIBUS EQUITY INCENTIVE PLAN
APPROVED BY THE BOARD OF DIRECTORS ON JULY 6, 2022

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CRITICAL ELEMENTS LITHIUM CORPORATION

Omnibus Equity Incentive Plan

ARTICLE 1 - PURPOSE

1.1 Purpose

The purpose of this Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Directors, Officers, Employees, Management Company Employees and Consultants, to reward such of those Directors, Officers, Employees, Management Company Employees and Consultants as may be granted Awards under this Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Directors, Officers, Employees, Management Company Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

1.2 Amendment to Predecessor Plan

This Plan constitutes an amendment to and restatement of the Corporation's stock option plan adopted on November 29, 2016 (the "**Predecessor Plan**"). Subject to compliance with the policies of the Exchange, all outstanding Options granted under the Predecessor Plan (the "**Predecessor Options**") shall continue to be outstanding as awards granted under and subject to the terms of this Plan, provided however that all Options which have been granted under the Predecessor Plan remain in force in accordance with their existing terms.

ARTICLE 2 - INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings, respectively:

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 – *Prospectus Exemptions*, as amended from time to time;

"**Award**" means any Option, Deferred Share Unit, Restricted Share Unit, Performance Share Unit or Other Share-Based Award granted under this Plan, which may be denominated or settled in Shares, cash or in such other forms as provided for herein;

"**Award Agreement**" means a signed, written agreement between a Participant and the Corporation, in the form or any one of the forms approved by the Plan Administrator, and evidencing the terms and conditions on which an Award has been granted under this Plan (including written or other applicable employment agreements) and which need not be identical to any other such agreements;

"**Board**" means the board of directors of the Corporation as it may be constituted from time to time;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Montreal, province of Québec, are open for commercial business during normal banking hours;

“**Canadian Taxpayer**” means a Participant that is resident in Canada for purposes of the Tax Act;

“**Cash Fees**” has the meaning set forth in Subsection 5.1(a);

“**Cause**” means:

- (a) with respect to a particular Employee: (1) “cause” as such term is defined in the employment or other written agreement between the Corporation or a subsidiary of the Corporation and the Employee; (2) in the event there is no written or other applicable employment agreement between the Corporation or a subsidiary of the Corporation and the Employees or “cause” is not defined in such agreement, “cause” as such term is defined in the Award Agreement; or (3) in the event neither clause (1) nor (2) apply, then “cause” as such term or similar terms are defined by applicable law or, if not so defined, then (A) with respect to an Award of an Employee that is not employed in the United States, such term shall refer to circumstances where an employer can terminate an individual’s employment without notice or pay in lieu thereof; and (B) with respect to an Award of an Employee that is employed in the United States (i) any breach of any written agreement between the Corporation and Employee; (ii) any failure to perform assigned job responsibilities in a competent and diligent manner that continues unremedied for a period of thirty (30) days after written notice to Employee by the Corporation and Employee shall only be entitled to such notice once per calendar year; (iii) the commission of a felony or misdemeanor or failure to contest prosecution for a felony or misdemeanor; (iv) the Corporation’s reasonable belief that Employee engaged in a violation of any statute, rule or regulation, any of which in the judgment of Employer is harmful to the Corporation’s business or reputation; or (v) the Corporation’s reasonable belief that Employee engaged in unethical practices, dishonesty or disloyalty;
- (b) in the case of a Consultant (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Corporation or any of its Affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;
- (c) in the case of a Director, ceasing to be a Director as a result of (1) ceasing to be qualified to act as a Director pursuant to the section 105(1) of the CBCA; (2) a resolution having been passed by the shareholders pursuant to section 106(3) of the CBCA, or (3) an order made by any Regulatory Authority having jurisdiction to so order; or

- (d) in the case of an Officer, (1) cause as such term is defined in the written employment agreement with the Officer or if there is no written employment agreement or cause is not defined therein, the usual meaning of just cause or other similar terms under the common law or the laws of the jurisdiction in which the Officer provides services; or (2) ceasing to be an Officer as a result of an order made by any Regulatory Authority having jurisdiction to so order.

“**CBCA**” means the *Canada Business Corporations Act*;

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

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than the Corporation or a wholly-owned subsidiary of the Corporation) hereafter acquires the direct or indirect “beneficial ownership” (as defined in the CBCA) of, or acquires the right to exercise Control or direction over, securities of the Corporation representing more than 50% of the then issued and outstanding voting securities of the Corporation, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of the Corporation with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the consolidated assets of the Corporation to a Person other than a wholly-owned subsidiary of the Corporation;
- (c) the dissolution or liquidation of the Corporation, other than in connection with the distribution of assets of the Corporation to one or more Persons which were wholly-owned subsidiaries of the Corporation prior to such event;
- (d) the occurrence of a transaction requiring approval of the Corporation’s shareholders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned subsidiary of the Corporation);
- (e) subject to the prior acceptance of the Exchange, any other event which the Board determines to constitute a change in control of the Corporation; or
- (f) individuals who comprise the Board as of the last annual meeting of shareholders of the Corporation (the “**Incumbent Board**”) for any reason cease to constitute at least a majority of the members of the Board, unless the election, or nomination for election by the Corporation’s shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, and in that case such new director shall be considered as a member of the Incumbent Board;

provided that, notwithstanding clauses (a), (b), (c) and (d) above, a Change in Control shall be deemed not to have occurred pursuant to clauses (a), (b), (c) or (d) above if immediately

following the transaction set forth in clause (a), (b), (c) or (d) above: (A) the holders of securities of the Corporation that immediately prior to the consummation of such transaction represented more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors of the Corporation hold (x) securities of the entity resulting from such transaction (including, for greater certainty, the Person succeeding to assets of the Corporation in a transaction contemplated in clause (b) above) (the “**Surviving Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (“**voting power**”) of the Surviving Entity, or (y) if applicable, securities of the entity that directly or indirectly has beneficial ownership of 100% of the securities eligible to elect directors or trustees of the Surviving Entity (the “**Parent Entity**”) that represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees of the Parent Entity, and (B) no Person or group of two or more Persons, acting jointly or in concert, is the beneficial owner, directly or indirectly, of more than 50% of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any such transaction which satisfies all of the criteria specified in clauses (A) and (B) above being referred to as a “**Non-Qualifying Transaction**” and, following the Non-Qualifying Transaction, references in this definition of “Change in Control” to the “Corporation” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a Company or a trust, references to the “Board” shall mean and refer to the board of directors or trustees, as applicable, of such entity).

Notwithstanding the foregoing, for purposes of any Award that constitutes “deferred compensation” (within the meaning of Section 409A of the Code), the payment of which would be required upon, or accelerated upon, a Change in Control, a transaction will not be deemed a Change in Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as “a change in control event” within the meaning of Section 409A of the Code;

“**Code**” means the United States Internal Revenue Code of 1986, as amended from time to time;

“**Commencement Date**” has the meaning set forth in Section 10.1(e);

“**Committee**” has the meaning set forth in Section 3.2;

“**Company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

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

- (a) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Corporation or to any of its subsidiaries, other

than services provided in relation to a distribution (as defined in the *Securities Act* (Québec));

- (b) provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or the Corporation, as the case may be; and
- (c) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a subsidiary of the Corporation;

“Consultant Company” means a Consultant that is a Company;

“Control” means:

- (a) when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person, directly or indirectly, of voting securities or other interests in such corporation entitling the holder to exercise control and direction in fact over the activities of such corporation;
- (b) when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and
- (c) when applied in relation to a trust, the beneficial ownership at the relevant time of more than 50% of the property settled under the trust, and

the words **“Controlled by”**, **“Controlling”** and similar words have corresponding meanings; provided that a Person who controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on;

“Corporation” means Critical Elements Lithium Corporation;

“Date of Grant” means, for any Award, the current date or future date specified by the Plan Administrator at the time it grants the Award or if no such date is specified, the date upon which the Award was granted;

“Deferred Share Unit” or **“DSU”** means any right granted under Article 5 of this Plan;

“Director” means a director of the Corporation who is not an Employee;

“Director Fees” means the total compensation (including annual retainer and meeting fees, if any) paid by the Corporation to a Director in a calendar year for service on the Board;

“Disabled” or **“Disability”** means, in respect of a Participant, suffering from a state of mental or physical disability, illness or disease that prevents the Participant from carrying out his or her normal duties as an Employee for a continuous period of six months or for any period of six months in any consecutive twelve month period, as certified by two

medical doctors or as otherwise determined in accordance with procedures established by the Plan Administrator for purposes of this Plan;

“Disinterested Shareholder Approval” means approval in accordance with TSX Venture Exchange Policy 4.4 by the Corporation’s shareholders at a duly constituted shareholders meeting, excluding: (i) votes attached to the Shares beneficially owned by Insiders to whom Awards may be granted under the Plan and their associates and affiliates; and (ii) such other excluded votes as described under TSX Venture Exchange Policy 4.4;

“Effective Date” means the effective date of this Plan, being [●], 2022;

“Elected Amount” has the meaning set forth in Subsection 5.1(a);

“Electing Person” means a Participant who is, on the applicable Election Date, a Director;

“Election Date” means the date on which the Electing Person files an Election Notice in accordance with Subsection 5.1(b);

“Election Notice” has the meaning set forth in Subsection 5.1(b);

“Employee” means:

- (a) an individual who is considered an employee of the Corporation or any of its subsidiaries under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan or Québec Pension Plan deductions must be made at source;
- (b) an individual who works full-time for the Corporation or any of its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of its subsidiaries, as the case may be, but for whom income tax deductions are not made at source; or
- (c) an individual who works for the Corporation or any of its subsidiaries on a continuing and regular basis for a minimum amount of time per week, providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of its subsidiaries, as the case may be, but for whom income tax deductions are not made at source;

“Exchange” means, as applicable, the TSXV, the TSX, or any other exchange on which the Shares are or may be listed from time to time;

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

“Exercise Price” means the price at which an Option Share may be purchased pursuant to the exercise of an Option;

“Expiry Date” means the expiry date specified in the Award Agreement (which shall not be later than the tenth anniversary of the Date of Grant) or, if not so specified, means the tenth anniversary of the Date of Grant;

“Fair Market Value” with respect to one Share as of any date shall mean (a) if the Shares are listed on the Exchange, the price of one Share at the close of the regular trading session of such market or exchange on the last trading day prior to such date, and if no sale of Shares shall have occurred on such date, on the next preceding date on which there was a sale of Shares (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Exchange)); (b) if the Shares are not so listed on an established stock exchange, the average of the closing “bid” and “asked” prices quoted by the OTC Markets, the National Quotation Bureau, or any comparable reporting service on such date or, if there are no quoted “bid” and “asked” prices on such date, on the next preceding date for which there are such quotes for a Share; or (c) if the Shares are not publicly traded as of such date, the per share value of one Share, as determined by the Board, or any duly authorized Committee of the Board, in its sole discretion, by applying principles of valuation with respect thereto, and with respect to Options awarded to U.S Taxpayers, such valuation principles will be in accordance with U.S. Treasury Regulation Section 1.409A-1(b)(5)(iv)(B)(1).

“Insider” has the meaning given to such term in the *Securities Act* (Québec);

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

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
 - (i) to promote the sale of products or services of the Corporation; or
 - (ii) to raise public awareness of the Corporation;

that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws; and
 - (ii) Exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or Exchange having jurisdiction over the Corporation;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

- (i) the communication is only through the newspaper, magazine or publication; and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by an Exchange.

“Investor Relations Service Provider” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.

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

“Market Price” at any date in respect of the Shares shall be determined as follows

- (a) if the Shares are then listed on the Exchange, then the Market Price shall be the volume weighted average trading price on the Exchange for the ten trading days immediately preceding such date (subject to such price not being less than the Discounted Market Price (as defined in the policies of the Exchange)); and
- (b) if the Shares are not listed on the Exchange, then the Market Price shall be, subject to the necessary approvals of the applicable Regulatory Authorities, the fair market value of the Shares on such date as determined by the Board in its discretion;

“Officer” means an officer (as defined under Securities Laws) of the Corporation or of any of its subsidiaries;

“Options” means a right granted to a Participant by the Corporation to acquire Shares of the Corporation at a specified price for a specified period of time;

“Option Shares” means Shares issuable by the Corporation upon the exercise of outstanding Options;

“Other Share-Based Award” means any right granted under Article 8;

“Participant” means a Director, Officer, Employee, Management Company Employee or Consultant to whom an Award has been granted under this Plan;

“Participant’s Employer” means with respect to a Participant that is or was an Employee, the Corporation or such subsidiary of the Corporation as is or, if the Participant has ceased to be employed by the Corporation or such subsidiary of the Corporation, was the Participant’s Employer;

“Performance Goals” means performance goals expressed in terms of attaining a specified level of the particular criteria or the attainment of a percentage increase or decrease in the

particular criteria, and may be applied to one or more of the Corporation, a subsidiary of the Corporation, a division of the Corporation or a subsidiary of the Corporation, or an individual, or may be applied to the performance of the Corporation or a subsidiary of the Corporation relative to a market index, a group of other companies or a combination thereof, or on any other basis, all as determined by the Plan Administrator in its discretion;

“Performance Share Unit” or **“PSU”** means any right granted under Article 7 of this Plan;

“Person” means an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

“Plan” means this Omnibus Equity Incentive Plan, as may be amended from time to time;

“Plan Administrator” means the Board or, to the extent that the administration of this Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“Predecessor Options” has the meaning set forth in Section 1.2;

“Predecessor Plan” has the meaning set forth in Section 1.2;

“Regulatory Authorities” means all stock exchanges, inter-dealer quotation networks and other organized trading facilities on which the Shares are listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation;

“Restricted Share Unit” or **“RSU”** means a unit equivalent in value to a Share, credited by means of a bookkeeping entry in the books of the Corporation in accordance with Article 6;

“Retirement” means, unless otherwise defined in the Participant’s written or other applicable employment agreement or in the Award Agreement, the termination of the Participant’s working career at the age of 67 or such other retirement age, with consent of the Plan Administrator, if applicable;

“Section 409A of the Code” means Section 409A of the Code and all regulations, guidance, compliance programs, and other interpretive authority issued thereunder;

“Securities Laws” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject;

“Security Based Compensation Arrangement” means an Option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Officers, Employees and/or service providers of the Corporation or any subsidiary of the Corporation;

“Separation from Service” has the meaning ascribed to it under Section 409A of the Code.

“Share” means one common share in the capital of the Corporation as constituted on the Effective Date, or any share or shares issued in replacement of such common share in compliance with Canadian law or other applicable law, and/or one share of any additional class of common shares in the capital of the Corporation as may exist from time to time, or after an adjustment contemplated by Article 11, such other shares or securities to which the holder of an Award may be entitled as a result of such adjustment;

“Subsidiary” means an issuer that is Controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary, or any other entity in which the Corporation has an equity interest and is designated by the Plan Administrator, from time to time, for purposes of this Plan to be a subsidiary, provided that, in the case of a Canadian Taxpayer, the issuer is related (for purposes of the Tax Act) to the Corporation;

“Tax Act” means the *Income Tax Act* (Canada) as amended from time to time and all regulations, interpretations and administrative guidance issued thereunder;

“Termination Date” means:

- (a) in the case of an Employee whose employment with the Corporation or a subsidiary of the Corporation terminates: (i) the date designated by the Employee and the Corporation or a subsidiary of the Corporation in a written employment agreement, or other written agreement between the Employee and Corporation or a subsidiary of the Corporation, or (ii) if no written employment agreement exists, the date designated by the Corporation or a subsidiary of the Corporation, as the case may be, on which an Employee ceases to be an employee of the Corporation or the subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not mean the date of termination of any period of reasonable notice that the Corporation or the subsidiary of the Corporation (as the case may be) may be required by law to provide to the Participant;
- (b) in the case of a Consultant whose consulting agreement or arrangement with the Corporation or a subsidiary of the Corporation, as the case may be, terminates, the date that is designated by the Corporation or the subsidiary of the Corporation (as the case may be), as the date on which the Participant’s consulting agreement or arrangement is terminated, provided that in the case of voluntary termination by the Participant of the Participant’s consulting agreement or other written arrangement, such date shall not be earlier than the date notice of voluntary termination was given, and “Termination Date” specifically does not mean the date on which any period of notice of termination that the Corporation or the subsidiary of the Corporation (as the case may be) may be required to provide to the Participant under the terms of the consulting agreement or arrangement expires; or

- (c) notwithstanding the foregoing, in the case of a U.S. Taxpayer, a Participant's "Termination Date" will be the date the Participant experiences a Separation from Service with the Corporation or a subsidiary of the Corporation.

"**TSX**" means the Toronto Stock Exchange;

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

"**U.S.**" means the United States of America;

"**U.S. Taxpayer**" shall mean a Participant who, with respect to an Award, is only subject to taxation under applicable U.S. tax laws; and

"**VWAP**" means the volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Options.

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of this Plan, the term "discretion" means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms "Article", "Section", "Subsection" and "clause" mean and refer to the specified Article, Section, Subsection and clause of this Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.
- (f) The headings used herein are for convenience only and are not to affect the interpretation of this Plan.

ARTICLE 3 - ADMINISTRATION

3.1 Administration

This Plan will be administered by the Plan Administrator and except as otherwise provided for herein, the Plan Administrator has sole and complete authority, in its discretion, to:

- (a) determine the individuals to whom grants of Awards under the Plan may be made;
- (b) make grants of Awards under the Plan, whether relating to the issuance of Shares or otherwise (including any combination of Options, Deferred Share Units, Restricted Share Units, Performance Share Units or Other Share-Based Awards), in such amounts, to such Persons and, subject to the provisions of this Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Awards may be granted;
 - (ii) the conditions under which:
 - (A) Awards may be granted to Participants; or
 - (B) Awards may be forfeited to the Corporation,

including vesting and any conditions relating to the attainment of specified Performance Goals;
 - (iii) the number of Shares to be covered by any Award;
 - (iv) the price, if any, to be paid by a Participant in connection with the purchase of Shares covered by any Awards;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Award, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Award, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of Award Agreements;
- (d) cancel, amend, adjust or otherwise change any Award under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of this Plan;
- (e) construe and interpret this Plan and all Award Agreements;
- (f) adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan, including rules and regulations relating to sub-

plans established for the purpose of satisfying applicable foreign laws or for qualifying for favorable tax treatment under applicable foreign laws;

- (g) if an Award is to be granted to Employees, Consultants, or Management Company Employees, the Plan Administrator and the Participant to whom that Award is to be granted are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant, or Management Company Employee; and
- (h) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

Notwithstanding the foregoing, the grant of any Other Share-Based Awards that are not Options, Deferred Share Units, Restricted Share Units or Performance Share Units will be subject to Exchange and shareholder approval (as applicable).

3.2 Delegation to Committee

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee of the Board (the “**Committee**”) all or any of the powers conferred on the Plan Administrator pursuant to this Plan, including the power to sub-delegate to any member(s) of the Committee or any specified officer(s) of the Corporation or its subsidiaries all or any of the powers delegated by the Board. In such event, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party.

3.3 Determinations Binding

Except as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration or interpretation of this Plan is final, conclusive and binding on the Corporation and all subsidiaries of the Corporation, the affected Participant(s), their respective legal and personal representatives and all other Persons.

3.4 Eligibility

All Directors, Officers, Employees, Management Company Employees and Consultants are eligible to participate in the Plan, subject to Section 10.1(f). Only Directors are eligible to receive DSUs. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Director, Officer, Employee, Management Company Employee or Consultant any right to receive any grant of an Award pursuant to the Plan. The extent to which any Director, Officer, Employee, Management Company Employee or Consultant is entitled to receive a grant of an Award pursuant to the Plan will be determined in the discretion of the Plan Administrator.

3.5 Plan Administrator Requirements

Any Award granted under this Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Award upon any securities exchange or under any Securities Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, such Award may not be accepted or exercised, as applicable, in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Plan Administrator. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Total Shares Subject to Awards

- (a) Subject to adjustment as provided for in ARTICLE 11 and any subsequent amendment to this Plan, the aggregate number of Shares reserved for issuance pursuant to Awards granted under this Plan shall not exceed [41,462,480] Shares.
- (b) To the extent any Awards (or portion(s) thereof) under this Plan terminate or are cancelled for any reason prior to exercise, then any Shares subject to such Awards (or portion(s) thereof) shall be added back to the number of Shares reserved for issuance under this Plan and will again become available for issuance pursuant to the exercise of Awards granted under this Plan. Shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award (other than for Options) that is settled in cash.
- (c) Any Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired Company will reduce the number of Shares available for issuance pursuant to the exercise of Awards granted under this Plan.

3.7 Limits on Grants of Awards

Notwithstanding anything in this Plan:

- (a) If the Corporation is subject to the policies of the TSXV, the number of grants which may be issuable under the Corporation's Security Based Compensation Arrangements in existence from time to time on and after the effective date of the Plan,:
 - (i) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation at any point in time, unless the Corporation has obtained Disinterested Shareholder Approval;

- (ii) to Insiders (as a group) shall be no more than 10% of the issued and outstanding share capital of the Corporation within any 12 month period, calculated as at the date any Award is granted to any Insider, unless the Corporation has obtained Disinterested Shareholder Approval;
 - (iii) to any one Person, shall be no more than 5% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted, with the exception of a Consultant who may not receive grants of more than 2% of the issued and outstanding share capital of the Corporation within any 12 month, calculated as at the date any Award is granted;
 - (iv) to all Investor Relations Service Providers, shall be no more than an aggregate of 2% of the number of issued and outstanding Shares in the capital of the Corporation within any 12 month, calculated as at the date any Award is granted, and shall only include Awards of Options (and no other form of Award); and
 - (v) if the recipient of an Award is a Company, excluding Participants that are Consultant Companies, then such recipient must provide the TSXV with a completed *Certification and Undertaking Required from a Company Granted Security Based Compensation* in the form of Schedule “A” to Form 4G - *Summary Form – Security Based Compensation*.
- (b) If the Corporation is subject to the policies of the TSX then the aggregate number of Shares:
- (i) issuable to Insiders at any time under all of the Corporation’s Security Based Compensation Arrangements, shall not exceed 10% of the Corporation’s total issued and outstanding Shares; and
 - (ii) issued to Insiders within any one year period, under all of the Corporation’s Security Based Compensation Arrangements, shall not exceed 10% of the Corporation’s total issued and outstanding Shares.

3.8 Award Agreements

Each Award under this Plan will be evidenced by an Award Agreement. Each Award Agreement will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. Any one Officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, any Award Agreement to a Participant granted an Award pursuant to this Plan.

3.9 Non-transferability of Awards

Except as permitted by the Exchange, and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant by will or as required by law, no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any

interest or right in such Awards or under this Plan whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect.

ARTICLE 4 - OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Options to any Participant. The terms and conditions of each Option grant shall be evidenced by an Award Agreement.

4.2 Exercise Price

The Plan Administrator will establish the Exercise Price at the time each Option is granted, which Exercise Price must in all cases be not less than the Fair Market Value on the Date of Grant.

4.3 Term of Options

Subject to any accelerated termination as set forth in this Plan, each Option expires on its Expiry Date and the Plan Administrator will ensure that no Option shall be exercised beyond the date permitted by the Exchange.

4.4 Vesting and Exercisability

- (a) The Plan Administrator shall have the authority to determine the vesting terms applicable to grants of Options provided that for so long as the Corporation is listed on the TSXV: (i) Options granted to Investor Relations Service Providers shall be subject to the vesting requirements set out in TSX Venture Exchange Policy 4.4; and (ii) Awards granted to all other Participants shall be subject to the vesting requirements of TSX Venture Exchange Policy 4.4.
- (b) Once an instalment becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator, or as may be otherwise set forth in any written employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant. Each vested Option or instalment may be exercised at any time or from time to time, in whole or in part, for up to the total number of Option Shares with respect to which it is then exercisable. The Plan Administrator has the right to accelerate the date upon which any instalment of any Option, other than an Option granted to an Investor Relations Service Provider, becomes exercisable.
- (c) Subject to the provisions of this Plan and any Award Agreement, Options shall be exercised by means of a fully completed Exercise Notice delivered to the Corporation.

- (d) The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in this Section 4.4, such as vesting conditions relating to the attainment of specified Performance Goals.

4.5 Payment of Exercise Price

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular Award Agreement, the Exercise Notice must be accompanied by payment of the Exercise Price. The Exercise Price must be fully paid by wire transfer, certified cheque, bank draft or money order payable to the Corporation or by such other means as might be specified from time to time by the Plan Administrator, which may include: (i) in the event that payment of the Exercise Price is occurring via cashless exercise in accordance with Sections 4.6 and 4.7 of this Plan, respectively, through an arrangement with a broker approved by the Corporation (or through an arrangement directly with the Corporation); or (ii) such other consideration and method of payment for the issuance of Shares to the extent permitted by the Exchange and Securities Laws, or any combination of the foregoing methods of payment.
- (b) No Shares will be issued or transferred until full payment therefor has been received by the Corporation.

4.6 Cashless Exercise

Subject to prior approval by the Board, where the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the Shares underlying Options, the Participant may borrow money from such brokerage firm to exercise Options. The brokerage firm will then sell a sufficient number of Shares to cover the Exercise Price of such Option in order to repay the loan made to the Participant. The brokerage firm will receive an equivalent number of Shares from the exercise of such Options and the Participant will receive the balance of the Shares or the cash proceeds from the balance of such Shares.

4.7 Net Exercise of Options

Subject to prior approval by the Board, a Participant may elect to surrender for cancellation to the Corporation any vested Option. The Corporation will issue to the Participant, as consideration for the surrender of the Option, that number of Option Shares (rounded down to the nearest whole number) determined on a net issuance basis in accordance with the following formula below. The Corporation may elect to forego any deduction in accordance with subsection 110(1.1) of the Tax Act in respect of such surrender:

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

where:

X = The number of Option Shares issuable to the Participant as consideration in respect of the exchange or surrender of an Option under this Section 4.7;

Y = The number of Option Shares issuable with respect to the vested portion of the Option exercised by the Participant (the “**Subject Options**”);

A = The VWAP of the Shares; and

B = The Exercise Price of the Subject Options.

ARTICLE 5 - DEFERRED SHARE UNITS

5.1 Granting of DSUs

- (a) The Plan Administrator may fix, from time to time, a portion of the Director Fees that is to be payable in the form of DSUs. In addition, each Electing Person may be given, subject to the conditions stated herein, the right to elect in accordance with Section 5.1(b) to participate in the grant of additional DSUs pursuant to this Article 5. An Electing Person who elects to participate in the grant of additional DSUs pursuant to this Article 5 shall receive their Elected Amount (as that term is defined below) in the form of DSUs in lieu of cash. The “**Elected Amount**” shall be an amount, as elected by the Director, in accordance with applicable tax law, between 0% and 100% of any Director Fees that are otherwise intended to be paid in cash (the “**Cash Fees**”).
- (b) Each Electing Person who elects to receive their Elected Amount in the form of DSUs in lieu of cash will be required to file a notice of election in the form of Schedule A hereto (the “**Election Notice**”) with the Chief Financial Officer of the Corporation: (i) in the case of an existing Electing Person, by December 31st in the year prior to the year in which the services giving rise to the compensation are performed (other than for Director Fees payable for the 2022 financial year to any Electing Person who is not a U.S. Taxpayer as of the date of this Plan, in which case such Electing Person shall file the Election Notice by the date that is 30 days from the Effective Date of the Plan with respect to compensation paid for services to be performed after such Election Date); and (ii) in the case of a newly appointed Electing Person who is not a U.S. Taxpayer, within 30 days of such appointment with respect to compensation paid for services to be performed after such Election Date. In the case of an existing Electing Person who is a U.S. Taxpayer as of the Effective Date of this Plan and who was not eligible to participate in the Predecessor Plan or in any other deferred compensation plan required to be aggregated with this Plan for purposes of Code Section 409A, an initial Election Notice may be filed by the date that is 30 days from the Effective Date only with respect to compensation paid for services to be performed after the Election Date; and in the case of a newly appointed Electing Person who is a U.S. Taxpayer, an Election Notice may be filed within 30 days of such appointment only with respect to compensation paid for services to be performed after the Election Date. If no election is made within the foregoing time frames, the Electing Person shall be deemed to have elected to be paid the entire amount of his or her Cash Fees in cash.

- (c) Subject to Subsection 5.1(d), the election of an Electing Person under Subsection 5.1(b) shall be deemed to apply to all Cash Fees that would be paid subsequent to the filing of the Election Notice, and such Electing Person is not required to file another Election Notice for subsequent calendar years.
- (d) Each Electing Person who is not a U.S. Taxpayer is entitled once per calendar year to terminate his or her election to receive DSUs in lieu of Cash Fees by filing with the Chief Financial Officer of the Corporation a notice in the form of Schedule B hereto. Such termination shall be effective immediately upon receipt of such notice, provided that the Corporation has not imposed a “black-out” on trading. Thereafter, any portion of such Electing Person’s Cash Fees payable or paid in the same calendar year and, subject to complying with Subsection 5.1(b), all subsequent calendar years shall be paid in cash, to the extent that such Cash Fees relate to services performed after the date of such notice. For greater certainty, to the extent an Electing Person terminates his or her participation in the grant of DSUs pursuant to this Article 5, he or she shall not be entitled to elect to receive the Elected Amount, or any other amount of his or her Cash Fees in DSUs in lieu of cash again until the calendar year following the year in which the termination notice is delivered. An election by a U.S. Taxpayer to receive the Elected Amount in DSUs in lieu of cash for any calendar year is irrevocable for that calendar year after the expiration of the election period for that year, and any termination of the election will not take effect until the first day of the calendar year following the calendar year in which the termination notice in the form of Schedule C is delivered.
- (e) Any DSUs granted pursuant to this Article 5 prior to the delivery of a termination notice pursuant to Section 5.1(d) shall remain in the Plan following such termination and will be redeemable only in accordance with the terms of the Plan.
- (f) The number of DSUs (including fractional DSUs) granted at any particular time pursuant to this Article 5 will be calculated by dividing (i) the amount of any compensation that is to be paid in DSUs (including Director Fees and any Elected Amount), as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.
- (g) In addition to the foregoing, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant.

5.2 DSU Account

All DSUs received by a Participant (which, for greater certainty includes Electing Persons) shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant. The terms and conditions of each DSU grant shall be evidenced by an Award Agreement.

5.3 Vesting of DSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine the vesting terms applicable to grants of DSUs.

5.4 Settlement of DSUs

(a) DSUs shall be settled on the date established in the Award Agreement; provided, however that notwithstanding any other terms of this Plan to the contrary, in no event shall a DSU Award be settled prior to a Participant's Retirement, termination of employment or death, or in the case of a Participant that is a Canadian Taxpayer, later than one (1) year following of the applicable Participant's Retirement, termination of employment or directorship or death. If the Award Agreement does not establish a date for the settlement of the DSUs, then the settlement date shall be the date of the Participant's Retirement, termination of employment, or death, subject to the delay that may be required under Section 12.8(d) below in the case of a U.S. Taxpayer. Subject to Section 12.8(d) dealing with the case of a U.S. Taxpayer, and except as otherwise provided in an Award Agreement, on the settlement date for any DSU, each vested DSU will be redeemed for:

- (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
- (ii) a cash payment, or
- (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

- (b) Any cash payments made under this Section 5.4 by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested DSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.

ARTICLE 6 - RESTRICTED SHARE UNITS

6.1 Granting of RSUs

- (a) The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each RSU grant shall be evidenced by an Award Agreement.

- (b) The number of RSUs (including fractional RSUs) granted at any particular time pursuant to this Article 6 will be calculated by dividing (i) the amount of any compensation that is to be paid in RSUs, as determined by the Plan Administrator, by (ii) the Market Price of a Share on the Date of Grant.

6.2 RSU Account

All RSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

6.3 Vesting of RSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine the vesting terms applicable to grants of RSUs.

6.4 Settlement of RSUs

- (a) The Plan Administrator shall have the sole authority to determine the settlement terms, including time of settlement, applicable to the grant of RSUs and such terms will be set forth in the applicable Award Agreement. Subject to Section 12.8(d) below dealing with the case of a U.S. Taxpayer and except as otherwise provided in an Award Agreement, on the settlement date for any RSU, the each vested RSU will be redeemed for:
 - (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
 - (ii) a cash payment, or
 - (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.
- (b) Any cash payments made under this Section 6.4 by the Corporation to a Participant in respect of RSUs to be redeemed for cash shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested RSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.8(d) below dealing with the case of a U.S. Taxpayer, no settlement date for any RSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any RSU, under this Section 6.4 any later than the final Business Day of the third calendar year following the year in which the RSU is granted.

ARTICLE 7 - PERFORMANCE SHARE UNITS

7.1 Granting of PSUs

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of services rendered in the year of grant. The terms and conditions of each PSU grant, including time of settlement, shall be evidenced by an Award Agreement. Each PSU will consist of a right to receive a Share, cash payment, or a combination thereof (as provided in Section 7.6(a)), upon the achievement of such Performance Goals during such performance periods as the Plan Administrator shall establish.

7.2 Terms of PSUs

The Performance Goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the termination of a Participant's employment and the amount of any payment or transfer to be made pursuant to any PSU will be determined by the Plan Administrator and by the other terms and conditions of any PSU, all as set forth in the applicable Award Agreement.

7.3 Performance Goals

The Plan Administrator will issue Performance Goals prior to the Date of Grant to which such Performance Goals pertain. The Performance Goals may be based upon the achievement of corporate, divisional or individual goals, and may be applied relative to performance relative to an index or comparator group, or on any other basis determined by the Plan Administrator. The Plan Administrator may modify the Performance Goals as necessary to align them with the Corporation's corporate objectives, subject to any limitations set forth in an Award Agreement or an employment or other agreement with a Participant. The Performance Goals may include a threshold level of performance below which no payment will be made (or no vesting will occur), levels of performance at which specified payments will be made (or specified vesting will occur), and a maximum level of performance above which no additional payment will be made (or at which full vesting will occur), all as set forth in the applicable Award Agreement.

7.4 PSU Account

All PSUs received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation, as of the Date of Grant.

7.5 Vesting of PSUs

Subject to TSX Venture Exchange Policy 4.4, the Plan Administrator shall have the authority to determine the vesting terms applicable to grants of PSUs.

7.6 Settlement of PSUs

- (a) The Plan Administrator shall have the authority to determine the settlement terms applicable to the grant of PSUs, which shall be set forth in the applicable Award

Agreement. Subject to Section 12.8(d) below dealing with the case of a U.S. Taxpayer and except as otherwise provided in an Award Agreement, on the settlement date for any PSU, each vested PSU will be redeemed for:

- (i) one fully paid and non-assessable Share issued from treasury to the Participant or as the Participant may direct, or
- (ii) a cash payment, or
- (iii) a combination of Shares and cash as contemplated by paragraphs (i) and (ii) above,

in each case as determined by the Plan Administrator in its discretion.

- (b) Any cash payments made under this Section 7.6 by the Corporation to a Participant in respect of PSUs to be redeemed for cash shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Share as at the settlement date.
- (c) Payment of cash to Participants on the redemption of vested PSUs may be made through the Corporation's payroll in the pay period that the settlement date falls within.
- (d) Subject to Section 12.8(d) below dealing with the case of a U.S. Taxpayer, no settlement date for any PSU shall occur, and no Share shall be issued or cash payment shall be made in respect of any PSU, under this Section 7.6 any later than the final Business Day of the third calendar year following the year in which the PSU is granted.

ARTICLE 8 - OTHER SHARE-BASED AWARDS

Subject to prior acceptance of the Exchange, the Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant Other Share-Based Awards to any Participant. The terms and conditions of each Other Share-Based Award grant shall be evidenced by an Award Agreement. Each Other Share-Based Award shall consist of a right (1) which is other than an Award or right described in Article 4, Article 5, Article 6, and Article 7 above, and (2) which is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including, without limitation, securities convertible into Shares) as are deemed by the Plan Administrator to be consistent with the purposes of the Plan; provided, however, that such right will comply with applicable law. Subject to prior acceptance of the Exchange, the terms of this Plan, and any applicable Award Agreement, the Plan Administrator will determine the terms and conditions of Other Share-Based Awards. Shares or other securities delivered pursuant to a purchase right granted under this Article 8 will be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Shares, other securities, other Awards, other property, or any combination thereof, as the Plan Administrator shall determine in its discretion.

ARTICLE 9 - ADDITIONAL AWARD TERMS

9.1 Dividend Equivalents

- (a) Unless otherwise determined by the Plan Administrator and set forth in the particular Award Agreement, and subject to the restrictions of the Exchange set out in Subsection 3.7(a) above (if the Corporation is subject to the policies of the TSXV), as part of a Participant's grant of DSUs, PSUs or RSUs (as applicable) and in respect of the services provided by the Participant for such original grant, DSUs, PSUs and RSUs (as applicable) shall be credited with dividend equivalents in the form of additional DSUs, PSUs or RSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be in the amount a Participant would have received if the DSUs, PSUs or RSUs had been settled for Shares on the record date of such dividend. Dividend equivalents credited to a Participant's account shall be subject to the same terms and conditions, including vesting and time of settlement, as the DSUs, PSUs or RSUs, as applicable, to which they relate.
- (b) The foregoing does not obligate the Corporation to declare or pay dividends on Shares and nothing in this Plan shall be interpreted as creating such an obligation.

9.2 Blackout Period

In the event that an Award expires, at a time when an undisclosed material change or material fact in the affairs of the Corporation exists, subject to the requirements of TSX Venture Exchange Policy 4.4, the expiry of such Award will be extended to a date that is no later than 10 business days after the expiry of the blackout period formally imposed by the Corporation pursuant to its internal trading policies as a result of the undisclosed material change or material fact.

9.3 Withholding Taxes

- (a) Notwithstanding any other terms of this Plan, and subject to TSX Venture Exchange Policy 4.4, the granting, vesting or settlement of each Award under this Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or settlement, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or an Affiliate of the Corporation is obliged to withhold or remit to the relevant taxing authority in respect of the granting, vesting or settlement of the Award. Any such additional payment is due no later than the date on which such amount with respect to the Award is required to be remitted to the relevant tax authority by the Corporation or an Affiliate of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or any Affiliate to the

Participant, (b) require the sale of a number of Shares issued upon exercise, vesting, or settlement of such Award and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount, or (c) enter into any other suitable arrangements for the receipt of such amount.

- (b) If the Corporation does not withhold an amount or require payment of an amount by a Participant sufficient to satisfy all obligations referred to in 9.3(a), the Participant shall forthwith make reimbursement, on demand, in cash, of any amount paid by the Corporation to a governmental authority to satisfy any such obligation.

9.4 Recoupment

Notwithstanding any other terms of this Plan, Awards may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or the relevant subsidiary of the Corporation and in effect at the Date of Grant of the Award, or as set out in the Participant's employment agreement, Award Agreement or other written agreement, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 9.4 to any Participant or category of Participants.

ARTICLE 10 - TERMINATION OF EMPLOYMENT OR SERVICES

10.1 Termination of Employment, Services or Director

Subject to Section 10.2, unless otherwise determined by the Plan Administrator and set forth in an employment agreement, Award Agreement or other written agreement:

- (a) where a Participant's employment, consulting agreement or arrangement is terminated or the Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant or termination by the Corporation or a subsidiary of the Corporation for Cause, then any Option or other Award held by the Participant that has not been exercised as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date;
- (b) where a Participant's employment, consulting agreement or arrangement is terminated by the Corporation or a subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice) then any unvested Options or other Awards held by the Participant as of the Termination Date shall be immediately forfeited and cancelled as of the Termination Date. Any vested Options held by the Participant as of the Termination Date may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the date that is ninety (90) days after the Termination Date. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;

- (c) where a Participant becomes Disabled, then any Option held by the Participant that has not vested as of the date of the Disability of such Participant shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Disability. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (d) where a Participant's employment, consulting agreement or arrangement is terminated by reason of the death of the Participant, then any Option held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the date of the death of such Participant. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period;
- (e) where a Participant's employment, consulting agreement or arrangement is terminated due to Retirement, then any Option held by the Participant that has not vested as of the date of such Retirement shall continue to vest in accordance with its terms and may be exercised or surrendered to the Corporation by the Participant at any time during the period that terminates on the earlier of: (A) the Expiry Date of such Award; and (B) the first anniversary of the Participant's date of Retirement. Any Option that remains unexercised or has not been surrendered to the Corporation by the Participant shall be immediately forfeited upon the termination of such period. Notwithstanding the foregoing, if, following his or her Retirement, the Participant commences (the "**Commencement Date**") employment, consulting or acting as a director (or in an analogous capacity) or otherwise as a service provider to any Person that carries on or proposes to carry on a business competitive with the Corporation or any of its subsidiaries, to the discretion of the Plan Administrator, any Option held by the Participant that has not been exercised as of the Commencement Date shall be immediately forfeited and cancelled as of the Commencement Date;
- (f) a Participant's eligibility to receive further grants of Options or other Awards under this Plan ceases as of:
 - (i) the date that the Corporation or a subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment, consulting agreement or arrangement is terminated, notwithstanding that such date may be prior to the Termination Date; or
 - (ii) the date of the death, Disability or Retirement of the Participant; and

- (g) notwithstanding Subsection 10.1(b), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options or other Awards are not affected by a change of employment or consulting agreement or arrangement, or directorship within or among the Corporation or a subsidiary of the Corporation for so long as the Participant continues to be a Director, Officer Employee, Management Company Employee or Consultant, as applicable, of the Corporation or a subsidiary of the Corporation.

10.2 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 10.1 but subject to compliance with the policies of the Exchange and Section 5.4(a), the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in such Section, or in an employment agreement, Award Agreement or other written agreement between the Corporation or a subsidiary of the Corporation and the Participant, permit the acceleration of vesting of any or all Awards or waive termination of any or all Awards, all in the manner and on the terms as may be authorized by the Plan Administrator and with respect to Awards to U.S. Taxpayers, in a manner that does not result in adverse tax consequences under Section 409A of the Code. Notwithstanding the foregoing, Options granted to Investor Relations Service Providers cannot be accelerated without the prior acceptance of the Exchange.

10.3 Participants' Entitlement

Except as otherwise provided in this Plan, Awards previously granted under this Plan are not affected by any change in the relationship between, or ownership of, the Corporation and an Affiliate of the Corporation. For greater certainty, all grants of Awards remain outstanding and are not affected by reason only that, at any time, an Affiliate of the Corporation ceases to be an Affiliate of the Corporation.

ARTICLE 11 - EVENTS AFFECTING THE CORPORATION

11.1 General

The existence of any Awards does not affect in any way the right or power of the Corporation or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Corporation's capital structure or its business, or any amalgamation, combination, arrangement, merger or consolidation involving the Corporation, to create or issue any bonds, debentures, Shares or other securities of the Corporation or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this Article 11 would have an adverse effect on this Plan or on any Award granted hereunder.

11.2 Change in Control

- (a) The Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause: (i) the conversion or exchange of any outstanding Awards into or for, rights or other securities of

substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an Award to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control provided that such Participant ceases to be an eligible Participant under this Plan upon such change of control; (iii) subject to prior acceptance by the Exchange, the termination of an Award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights as of the date of the occurrence of the transaction net of any exercise price payable by the Participant (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the exercise or settlement of such Award or realization of the Participant's rights net of any exercise price payable by the Participant, then such Award may be terminated by the Corporation without payment); (iv) subject to prior acceptance by the Exchange, the replacement of such Award with other rights or property selected by the Board in its sole discretion; or (v) subject to prior acceptance by the Exchange, any combination of the foregoing. In taking any of the actions permitted under this Subsection 11.2(a), the Plan Administrator will not be required to treat all Awards similarly in the transaction. Notwithstanding the foregoing, in the case of Options held by a Canadian Taxpayer, the Plan Administrator may not cause the Canadian Taxpayer to receive (pursuant to this Subsection 11.2(a)) any property in connection with a Change of Control other than rights to acquire shares of a corporation or units of a "mutual fund trust" (as defined in the Tax Act), of the Corporation or of a "qualifying person" (as defined in the Tax Act) that does not deal at arm's length (for purposes of the Tax Act) with the Corporation, as applicable, at the time such rights are issued or granted. Notwithstanding the foregoing, in the case of DSUs held by a Canadian Taxpayer, the Plan Administrator may not (pursuant to this Subsection 11.2(a)) redeem any such DSUs in connection with a Change of Control.

- (b) Notwithstanding Subsection 11.2(a), and unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Shares will cease trading on an Exchange, then the Corporation may terminate all of the Awards granted under this Plan (other than Options and DSUs held by Canadian Taxpayers) at the time of and subject to the completion of the Change in Control transaction by paying to each holder at or within a reasonable period of time following completion of such Change in Control transaction an amount for each Award equal to the fair market value of the Award held by such Participant as determined by the Plan Administrator, acting reasonably, or in the case of Options held by a Canadian Taxpayer may permit the Canadian Taxpayer to surrender such Options to the Corporation for an amount for each such Option equal to the fair market value of such Option as determined by the Plan Administrator, acting reasonably, upon the completion of the Change in Control (following which such Options may be cancelled for no consideration).

- (c) It is intended that any actions taken under this Section 11.2, or under Sections 11.3 and 11.4, will comply with the requirements of Section 409A of the Code with respect to Awards granted to U.S. Taxpayers and with the requirements of paragraph 6801(d) of the *Income Tax Regulations* (Canada) with respect to DSUs granted to Canadian Taxpayers.
- (d) Any actions taken under this Section 11.2 will comply with the policies of the Exchange including, without limitation, the requirement that the acceleration of vesting of Options granted to Investor Relations Service Providers shall only occur with the prior written approval of the Exchange.

11.3 Reorganization of Corporation's Capital

Subject to the prior approval of the Exchange, if applicable, should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in Control and that would warrant the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, then the Plan Administrator in consultation with the Board will take such steps as are required to preserve the proportionality of the rights and obligations of the Participants holding such Awards as it deems equitable and appropriate.

11.4 Other Events Affecting the Corporation

In the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control and that warrants the amendment or replacement of any existing Awards in order to adjust the number of Shares that may be acquired on the vesting of outstanding Awards and/or the terms of any Award in order to preserve proportionately the rights and obligations of the Participants holding such Awards, the Plan Administrator will, subject to the prior approval of the Exchange (if required), authorize such steps to be taken as it may consider to be equitable and appropriate to that end.

11.5 Immediate Acceleration of Awards

In taking any of the steps provided in Sections 11.3 and 11.4, the Plan Administrator will not be required to treat all Awards similarly and where the Plan Administrator determines that the steps provided in Sections 11.3 and 11.4 would not preserve proportionately the rights, value and obligations of the Participants holding such Awards in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may, but is not required, to permit the immediate vesting of any unvested Awards, other than any Options granted to an Investor Relations Service Provider.

11.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 11, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Awards or other entitlements of the Participants under such Awards.

11.7 Fractions

No fractional Shares will be issued pursuant to an Award. Accordingly, if (whether as a result of any adjustment under this Article 11, a dividend equivalent or otherwise) a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 12 - U.S. TAXPAYERS

12.1 Provisions for U.S. Taxpayers

In the case of a Participant who is a U.S. Taxpayer, Options may only be awarded to such Participant to the extent the Participant performs direct services to (A) the Corporation or any entity (other than the Corporation), in an unbroken chain of corporations (or other entities) beginning with the Corporation, in which each of the corporations (or other entities) other than the last corporation or other entity in the unbroken chain owns, directly or indirectly, equity representing at least 50% of the voting power of all classes of equity entitled to vote or at least 50% of the value of all classes of equity in one of the other corporations (or other entities) in such chain, or (B) to an entity that otherwise qualifies as an eligible issuer of service recipient stock pursuant to United States Treasury Regulation Section 1.409A-1(b)(5)(iii)(E)(1). Options granted under this Plan to U.S. Taxpayers may be non-qualified stock options or incentive stock options qualifying under Section 422 of the Code (“ISOs”). Each Option shall be designated in the Award Agreement as either an ISO or a non-qualified stock option, and if no designation is made, the Option will be a non-qualified stock option. The Corporation shall not be liable to any Participant or to any other Person if it is determined that an Option intended to be an ISO does not qualify as an ISO.

12.2 ISOs

Subject to any limitations in Section 3.6, the aggregate number of Shares reserved for issuance in respect of granted ISOs shall not exceed [41,462,480] Shares, and the terms and conditions of any ISOs granted to a U.S. Taxpayer on the Date of Grant hereunder, including the eligible recipients of ISOs, shall be subject to the provisions of Section 422 of the Code, and the terms, conditions, limitations and administrative procedures established by the Plan Administrator from time to time in accordance with this Plan. At the discretion of the Plan Administrator, ISOs may be granted to any employee of the Corporation, or of a “parent corporation” or “subsidiary corporation”, as such terms are defined in Sections 424(e) and (f) of the Code. No ISOs may be granted more than ten (10) years after the earlier of (i) the date on which the Board adopts the most recent amendment and restatement of the Plan, or (ii) the date on which the shareholders of the Corporation approve

such most recent amendment and restatement of the Plan. An ISO may be exercised during the Participant's lifetime only by such Participant. An ISO may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by the Participant, except by will or by the laws of descent and distribution.

12.3 ISO Term and Exercise Price; Grants to 10% Shareholders

Notwithstanding anything to the contrary in this Plan, the term of an ISO shall not exceed ten (10) years, and the exercise price of an ISO shall be not less than one hundred percent (100%) of the Fair Market Value on the applicable grant date; *provided, however*, that if an ISO is granted to a person who owns Shares representing more than 10% of the voting power of all classes of Shares of the Corporation or of a "parent corporation" or "subsidiary corporation", as such terms are defined in Section 424(e) and (f) of the Code, on the Date of Grant, the term of the ISO shall not exceed five (5) years from the time of grant of such ISO and the Exercise Price shall be at least one hundred and ten percent (110%) of the Fair Market Value of the Shares subject to the ISO.

12.4 \$100,000 Per Year Limitation for ISOs

To the extent the aggregate Fair Market Value as at the Date of Grant of the Shares for which ISOs are exercisable for the first time by any person during any calendar year (under all plans of the Corporation) exceeds \$100,000, such excess ISOs shall be treated as non-qualified stock options.

12.5 Disqualifying Dispositions

Each person awarded an ISO under this Plan shall notify the Corporation in writing immediately after the date he or she makes a disposition or transfer of any Shares acquired pursuant to the exercise of such ISO if such disposition or transfer is made (a) within two years from the Date of Grant or (b) within one year after the date such person acquired the Shares. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the person in such disposition or other transfer. The Corporation may, if determined by the Plan Administrator and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an ISO as agent for the applicable person until the end of the later of the periods described in (a) or (b) above, subject to complying with any instructions from such person as to the sale of such Shares.

12.6 ISO Status Following Termination of Employment

An ISO shall be exercisable in accordance with its terms under the Plan and the applicable Award Agreement or certificate awarding the ISO. However, in order to retain its treatment as an ISO for U.S. federal income tax purposes, the ISO must be exercised within the time periods set forth below. If an ISO is not exercised within the time periods below, but the Option otherwise would remain exercisable following such time periods pursuant to the terms of the Award Agreement, then, following the expiration of the time periods below without exercise the ISO will be converted to a non-qualified stock option.

- (a) If a Participant who has been granted an ISO ceases to be an employee for any reason other than the death or disability (within the meaning of Code Section 22(e))

of such Participant, such ISO must be exercised (to the extent such ISO was exercisable on the Termination Date) by such Participant within three months following the Termination Date (but in no event beyond the Expiry Date of such ISO).

- (b) If a Participant who has been granted an ISO ceases to be an employee due to the disability of such Participant (within the meaning of Code Section 22(e)), such ISO must be exercised (to the extent it is exercisable by its terms) by the date that is one year following the date of such disability, but in no event beyond the Expiry Date of such ISO.
- (c) For purposes of this Section 12.6, the employment of a Participant who has been granted an ISO will not be considered interrupted or terminated upon (a) sick leave, military leave or any other leave of absence approved by the Corporation that does not exceed ninety (90) days in the aggregate; provided, however, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation will not apply, or (b) a transfer from one office of the Corporation (or of any parent or subsidiary of the Corporation as defined in Code Sections 424(e) and (f)) to another office of the Corporation (or of any such parent or subsidiary) or a transfer between the Corporation and any such parent or subsidiary.

12.7 Shareholder Approval for ISO Purposes

In the event the Plan is not approved by the shareholders of the Corporation in accordance with the requirements of Section 422 of the Code within twelve (12) months of the date of adoption of the Plan (or the date of any later restatement of the Plan that adds or changes ISO provisions requiring shareholder approval), Options otherwise designated as ISO will be non-qualified stock options.

12.8 Section 409A of the Code

- (a) This Section 12.8 shall apply only in respect of Awards to U.S. Taxpayers.
- (b) This Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A of the Code to the extent required to preserve the intended tax consequences of this Plan. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A of the Code, it is intended that the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A of the Code, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A of the Code. The Corporation reserves the right to amend this Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of this Plan in light of Section 409A of the Code. In no event will the Corporation or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under

Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

- (c) All terms of the Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A of the Code if necessary to comply with Section 409A of the Code.
- (d) Subject to compliance with the policies of the Exchange, the Plan Administrator, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the Plan under circumstances that constitute permissible acceleration events under Section 409A of the Code.
- (e) Notwithstanding anything in the Plan or any Award Agreement to the contrary, to the extent that any amount or benefit that constitutes "deferred compensation" to a Participant under Section 409A and applicable guidance thereunder is otherwise payable or distributable to a Participant under the Plan or any Award Agreement solely by reason of the occurrence of a change in control or due to the Participant's Disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless the Plan Administrator determines in good faith that (i) the circumstances giving rise to such change in control event, disability or separation from service meet the definition of a change in control event, disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable proposed or final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise. In order to comply with both Canadian and U.S. tax rules, RSUs and PSUs will be structured so that the designated settlement/payment date (the "Scheduled Payment Date") for such Award will in all cases be no later than the final Business Day of the third calendar year following the year in which the Award is granted, and settlement will in fact occur by such final Business Day. Further, to the extent that any RSU or PSU is deferred compensation under Section 409A of the Code, then as to any Participant: (i) who is a U.S. Taxpayer, (ii) who is a "specified employee" within the meaning of Section 409A of the Code at the time of his separation from service, and (iii) whose RSU or PSU would by its terms be settled/paid earlier than the Scheduled Payment Date as a result of his or her Separation from Service, then settlement will occur on the earlier of the date that is six months and one day following the date of Separation from Service and the Scheduled Payment Date as permitted under Section 409A of the Code. With respect to DSUs of a U.S. Taxpayer, where settlement is to occur upon such Participant's Separation from Service, if such Participant is a "specified employee" at the time of his or her separation from service, then settlement will occur on the date that is six months and one day following the date of Separation from Service, or, if earlier, as soon as practical following the date of the Participant's death.

12.9 Section 83(b) Election

If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Shares subject to vesting or other forfeiture conditions, the Participant shall be required to promptly file a copy of such election with the Corporation.

ARTICLE 13 - AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

13.1 Amendment, Suspension, or Termination of the Plan

The Plan Administrator may from time to time, without notice and without approval of the holders of voting shares of the Corporation, amend, modify, change, suspend or terminate the Plan or any Awards granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that:

- (a) no such amendment, modification, change, suspension or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable Securities Laws or Exchange requirements;
- (b) any amendment that would cause an Award held by a U.S. Taxpayer be subject to the additional tax penalty under Section 409A(1)(b)(i)(II) of the Code shall be null and void *ab initio* with respect to the U.S. Taxpayer unless the consent of the U.S. Taxpayer is obtained; and
- (c) any amendments to the Plan or to any Awards granted pursuant to the Plan are subject to Exchange approval (including such amendments that do not otherwise trigger approval of the holders of voting shares of the Corporation).

13.2 Shareholder Approval

Notwithstanding Section 13.1 and subject to any rules of the Exchange, approval of the holders of the Shares (including by way of Disinterested Shareholder Approval where required by the Exchange) shall be required for any amendment, modification or change that:

- (a) increases the percentage of Shares reserved for issuance under the Plan, except pursuant to the provisions in the Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increases or removes the limitations set out in Subsection 3.7(a) or 3.7(b), as applicable;
- (c) allows for the grant to Insiders (as a group), within a 12 month period, an aggregate number of Awards exceeding 10% of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;

- (d) allows for the grant to any one Participant, within a 12 month period, an aggregate number of Awards exceeding 5% of the Corporation's issued Shares, calculated at the date the Award is granted to the Insider;
- (e) reduces the exercise price of an Award to an Insider (for this purpose, a cancellation or termination of an Award of a Participant prior to its Expiry Date for the purpose of reissuing an Award to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Award);
- (f) extends the term of an Award beyond the original Expiry Date (except where an Expiry Date would have fallen within a blackout period applicable to the Participant);
- (g) increases or removes the limits on the participation of Directors;
- (h) permits Awards to be transferred to a Person;
- (i) changes the eligible participants of the Plan; or
- (j) deletes or reduces the range of amendments which require approval of shareholders under this Section 13.2.

13.3 Permitted Amendments

Without limiting the generality of Section 13.1, but subject to Section 13.2 and any rules of the Exchange, the Plan Administrator may, without shareholder approval, at any time or from time to time, amend the Plan for the purposes of:

- (a) making any amendments to the general vesting provisions of each Award;
- (b) making any amendments to the provisions set out in Article 10;
- (c) making any amendments to add covenants of the Corporation for the protection of Participants, as the case may be, provided that the Plan Administrator shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Participants, as the case may be;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Plan Administrator, having in mind the best interests of the Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, provided that the Plan Administrator shall be of the opinion that such amendments and modifications will not be prejudicial to the interests of the Participants and Directors; or
- (e) making such changes or corrections which, on the advice of counsel to the Corporation, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error,

provided that the Plan Administrator shall be of the opinion that such changes or corrections will not be prejudicial to the rights and interests of the Participants.

ARTICLE 14 - MISCELLANEOUS

14.1 Legal Requirement

The Corporation is not obligated to grant any Awards, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

14.2 Press Release

Every Award granted or issued to a Director, an Officer of the Corporation or an Investor Relations Service Provider, and any amendment to such Award, must be disclosed to the public by way of a news release the day the Award is granted, issue or amended.

14.3 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

14.4 Rights of Participant

No Participant has any claim or right to be granted an Award and the granting of any Award is not to be construed as giving a Participant a right to remain as a Director, Officer, Employee, Management Company Employee or Consultant. No Participant has any rights as a shareholder of the Corporation in respect of Shares issuable pursuant to any Award until the allotment and issuance to such Participant, or as such Participant may direct, of certificates representing such Shares.

14.5 Corporate Action

Nothing contained in this Plan or in an Award shall be construed so as to prevent the Corporation from taking corporate action which is deemed by the Corporation to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any Award.

14.6 Conflict

Subject to compliance with the policies of the Exchange, in the event of any conflict between the provisions of this Plan and an Award Agreement, the provisions of the Plan shall govern. In the event of any conflict between or among the provisions of this Plan or any Award Agreement, on the one hand, and a Participant's employment agreement with the Corporation or a subsidiary of the Corporation, as the case may be, on the other hand, the provisions of the Plan shall prevail.

14.7 Anti-Hedging Policy

By accepting the Option or Award each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options or Awards.

14.8 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan (including as to whether the circumstances described in Section 10.1(e) or 12.3 exist). Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such persons (including persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

14.9 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant. The Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Shares. The Corporation does not assume responsibility for the income or other tax consequences for the Participants and Directors and they are advised to consult with their own tax advisors.

14.10 International Participants

Subject to compliance with the policies of the Exchange, with respect to Participants who reside or work outside Canada, the Plan Administrator may, in its discretion, amend, or otherwise modify, without shareholder approval, the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the provisions of local law, and the Plan Administrator may, where appropriate, establish one or more sub-plans to reflect such amended or otherwise modified provisions.

14.11 No Representations or Warranties

The Corporation makes no representation or warranty as to the value of any Award granted or issued under this Plan or as to the future value of any Shares issued pursuant to any Award.

14.12 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its subsidiaries.

14.13 General Restrictions on Assignment

Except as required by law, the rights of a Participant under the Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant unless otherwise approved by the Plan Administrator.

14.14 Severability

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

14.15 Notices

All written notices to be given by a Participant to the Corporation shall be delivered personally, e-mail or mail, postage prepaid, addressed as follows:

Critical Elements Lithium Corporation
1080, Côte du Beaver Hall
Suite 2101
Montreal, Québec
H2Z 1S8

Attention: Chief Financial Officer

All notices to a Participant will be addressed to the principal address of the Participant on file with the Corporation. Either the Corporation or the Participant may designate a different address by written notice to the other. Such notices are deemed to be received, if delivered personally or by e-mail, on the date of delivery, and if sent by mail, on the fifth business day following the date of mailing; provided that in the event of any actual or imminent postal disruption, notices shall be delivered to the appropriate party and not sent by mail. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

14.16 Effective Date

This Plan becomes effective on a date to be determined by the Plan Administrator, subject to the approval of the shareholders of the Corporation.

14.17 Governing Law

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the internal laws of the Province of Québec and the federal laws of Canada applicable therein, without reference to conflicts of law rules.

14.18 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of Québec in respect of any action or proceeding relating in any way to the Plan, including, without limitation, with respect to the grant of Awards and any issuance of Shares made in accordance with the Plan.

14.19 French Language

Each Participant agrees with the Corporation that this Plan and all agreements, notices, declarations and documents accessory to the Plan be drafted in English only. *Chaque participant consent avec la société à ce que ce Régime ainsi que toutes conventions, avis, déclarations et documents afférents au Régime soient rédigés en anglais seulement.*

SCHEDULE A

**CRITICAL ELEMENTS LITHIUM CORPORATION
EQUITY INCENTIVE PLAN (THE "PLAN")**

ELECTION NOTICE

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Pursuant to the Plan, I hereby elect to participate in the grant of DSUs pursuant to Article 5 of the Plan and to receive ____% of my Cash Fees in the form of DSUs in lieu of cash.

I confirm that:

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

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

Date: _____

(Name of Participant)

(Signature of Participant)

SCHEDULE B

**CRITICAL ELEMENTS LITHIUM CORPORATION
EQUITY INCENTIVE PLAN (THE "PLAN")**

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

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the date hereof shall be paid in DSUs in accordance with Article 5 of the Plan.

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

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

Date: _____

(Name of Participant)

(Signature of Participant)

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

SCHEDULE C

**CRITICAL ELEMENTS LITHIUM CORPORATION
EQUITY INCENTIVE PLAN (THE "PLAN")**

**ELECTION TO TERMINATE RECEIPT OF ADDITIONAL DSUS
(U.S. TAXPAYERS)**

All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Plan.

Notwithstanding my previous election in the form of Schedule A to the Plan, I hereby elect that no portion of the Cash Fees accrued after the effective date of this termination notice shall be paid in DSUs in accordance with Article 5 of the Plan.

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

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

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

Date:

(Name of Participant)

(Signature of Participant)

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

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