



**OUTCROP GOLD CORP.
Information Circular
For the Annual General Meeting of Shareholders
June 24, 2021**

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Notice of Annual General Meeting of Shareholders of Outcrop Gold Corp.

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OUTCROP GOLD CORP.
#905 – 1111 West Hastings Street
Vancouver, BC V6E 2J3

MANAGEMENT INFORMATION CIRCULAR
as at May 18, 2021

This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Outcrop Gold Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of shareholders of the Company (the “Shareholders”) to be held on June 24, 2021 and any adjournment thereof, for the purposes set forth in the attached Notice of Annual General and Special Meeting. Except where otherwise indicated, the information contained herein is stated as of May 18, 2021.

In this Information Circular, references to the “**Company**” and “**we**” refer to Outcrop Gold Corp. “**Common Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means Shareholders who do not hold Common Shares in their own name. “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders.

PART ONE - GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*. As a result, objecting beneficial owners will not receive the Information Circular and associated meeting materials unless their Intermediary assumes the costs of delivery.

Appointment and Revocation of Proxies

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers or directors of the Company. **If you are a Registered Shareholder, you have the right to attend the meeting or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting.** You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy. If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- 1) completing, dating and signing the enclosed form of proxy and returning it to Olympia Trust Company by fax (403) 668-8307, by email at proxy@olympiustrust.com or by mail at PO Box 128, STN M, Calgary, AB T2P 2H6, Attn: Proxy Dept.; or
- 2) using the internet through the website of Olympia Trust Company at <https://css.olympiustrust.com/pxlogin> . Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed form of proxy for the 12-digit control number.

You should ensure that the Proxy is received at least 48 hours before the Meeting or the adjournment thereof at which the Proxy is to be used.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see “Voting by Non-Registered Shareholders” below for further information on how to vote your Common Shares.

Exercise of Discretion by Proxyholder

If you vote by proxy, the persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (i) each matter or group of matters identified therein for which a choice is not specified;
- (ii) any amendment to or variation of any matter identified therein;
- (iii) any other matter that properly comes before the Meeting; and
- (iv) exercise of discretion of the proxyholder.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter. Management is not currently aware of any other matters that could come before the Meeting.

Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

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

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Computershare). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in

Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received from Olympia Trust Company or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The voting instruction form sent by Olympia Trust Company or Broadridge will name the same persons as the Company's proxy to represent you at the Meeting. Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity. To exercise this right to attend the meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form from Olympia Trust Company or Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

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

Except as disclosed herein, no person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and as set out herein. For the purpose of this paragraph, "person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting as the close of business on May 18, 2021 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company's articles, the quorum for the transaction of business at a meeting of Shareholders is one person who is a Shareholder, or who is otherwise permitted to vote Common Shares of the Company at a meeting of Shareholders, present in person or by Proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date, there were **132,148,953** Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment thereof.

To the knowledge of the Directors and Senior Officers of the Company, as of the Record Date, the following beneficially own, or control or direct, directly or indirectly, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company:

Name of Shareholder	Number of common shares	Percentage of Issued and Outstanding
Ian Slater	21,500,000	16.27%
Eric Sprott	19,642,800	14.86%

The above information was supplied by the Company's SEDI profile

COVID-19 PRECAUTIONS

In light of the ongoing public health concerns related to COVID-19 and in order to comply with physical distancing measures imposed by the federal, provincial and municipal governments and to mitigate risk to the health and safety of our communities, shareholders and employees, the Company requests that shareholders not attend the Meeting in person. The Company encourages shareholders to instead vote their shares in advance of the Meeting via the means specified in the Form of Proxy or Voting Instruction Form.

The Meeting has a limited number of in-person attendance and attendance will be on a first come, first served basis. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person. The Company may take additional precautionary measures in relation to the Meeting as necessary or advisable in response to further developments related to the COVID-19 pandemic and shall comply with all applicable recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Company will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means, telephone or other communication facilities.

PART TWO - PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company's directors, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and more particularly discussed below.

Presentation Of Financial Statements

The annual consolidated financial statements of the Company for the financial year ended August 31, 2020, together with the auditor's report thereon, will be placed before the Meeting. The Company's financial statements are available on the System of Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

ELECTION OF DIRECTORS

The Company proposes to fix the number of directors of the Company at four (4) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by Proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares which each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position within the Company	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised⁽¹⁾	Principal Occupation⁽¹⁾
Joseph Hebert Nevada, United States <i>President, CEO & Director</i>	January 21, 2014	1,876,160	CEO, Outcrop Gold Corp.
Kevin Nishi⁽²⁾ British Columbia, Canada <i>Director</i>	February 16, 2015	100,000	Partner, Smythe LLP
Ian Slater⁽²⁾ British Columbia, Canada <i>Chairman</i>	January 24, 2020	21,500,000	Chairman of Slater Group
Jay Sujir⁽²⁾ British Columbia, Canada <i>Director</i>	January 23, 2020	500,000	Partner, Farris LLP.

Notes:

⁽¹⁾ The information as to principal occupation, business or employment, and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above not elected at the last annual general meeting have held the principal occupation or employment indicated for at least the five preceding years.

⁽²⁾ Member of the Audit Committee.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) 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.

For the purposes of subsection (a) above, “order” means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for more than 30 consecutive days.

Jay Sujir and Ian Slater were on the board of directors and Ian Slater was an officer of Red Eagle Mining Corporation which is subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, management’s discussion and analysis, and certification of interim filings for the period ended September 30, 2018.

Except as otherwise disclosed below, to the knowledge of the Company, no proposed director of the Company:

- (a) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in the 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;
- (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director or executive officer;
 - (c) has been subject to 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
 - (d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

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

APPOINTMENT OF AUDITOR

Management is recommending that Shareholders vote to appoint Davidson & Company LLP of 1200 - 609 Granville Street, Vancouver, BC, V7Y 1G6, as the Company’s auditor and to authorize the directors to fix their remuneration.

APPROVAL OF STOCK OPTION PLAN

The Company has a “rolling” Stock Option Plan (the “**Option Plan**”) pursuant to which the Board of Directors of the Company may, by resolution, grant options to directors, officers and employees of, and consultants to, the Company or its subsidiaries. The purpose of the Option Plan is to provide effective long-term incentives to such parties in order to align their interests with those of Shareholders.

The Company’s “rolling” Option Plan was adopted by its Shareholders on June 25, 2020 at the Company’s 2020 Annual General Meeting. The Shareholders passed an Ordinary Resolution approving the Company’s Option Plan. The plan has been amended as of May 21, 2021. A copy of the Option Plan is available upon request from the Company’s registered and records office at Suite 905 – 1111 W. Hastings Street, Vancouver, B.C., V6E 2J3. Pursuant to the policies of the TSX Venture Exchange (the “**TSX-V**”), all stock option plans that reserve for issuance up to 10% (instead of a fixed number) of a listed company’s Shares need to be approved by its shareholders on an annual basis. The rules of the TSX-V require that the Option Plan be approved by an Ordinary Resolution passed by a majority of the votes cast by holder of Shares of the Company present or represented by proxy at the Meeting. At the Meeting, the Shareholders of the Company will be asked to vote to approve the “rolling” Option Plan.

Summary of the Option Plan

The exercise price of options is determined by the Company’s Board at the moment of the grant and may not be lower than the Discounted Market Price as calculated pursuant to the policies of the TSX-V, or such other minimum price as may be required or permitted by the TSX-V. The aggregate number of Common Shares reserved for issuance pursuant to the exercise of Options may not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to any other share compensation arrangement. For the purposes of the Option Plan, a “other share compensation arrangement” includes any stock option plan, employee stock purchase plan, RSU plan, DSU plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise. The maximum period during which an

option can be exercised is ten (10) years from the date of grant. Each option is personal to the optionee and may not be sold or transferred except by inheritance.

The Option Plan provides that if an Eligible Person (as defined in the Option Plan) (a) is terminated for cause, each option held by such person shall terminate and therefore cease to be exercisable upon such termination for cause (b) dies, each option held by such person shall be exercisable by the heirs or administrators of such optionee and will expire after the earlier of (i) the expiry date therefor; or (ii) six (6) months after the date of such optionee's death; and (c) ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) above, each option held by such person shall terminate and shall therefore cease to be exercisable no later than the earlier of the expiry date therefor and the date which is 30 days after such event (provided that the Board may extend such period as provided under the Option Plan). At no time may an optionee exercise its rights beyond the maximum period of ten (10) years from the date of grant.

The Option Plan includes the following restrictions on Grants and Exercise of Options.

- (a) The number of Options granted to any one person in any 12-month period under the Option Plan and any other share compensation arrangement shall not exceed 5% of the issued Common Shares at the time of the grant, unless the Company has obtained disinterested shareholder approval (as defined in the Option Plan) to exceed such limit.
- (b) The aggregate number of Options granted to any one consultant in any 12-month period under the Option Plan and any other share compensation arrangement shall not exceed 2% of the issued Common Shares at the time of the grant.
- (c) The aggregate value of Options granted to any one non-executive director in any 12-month period under the Option Plan:
 - i. shall not exceed \$100,000, at the time of the grant; and
 - ii. together with the aggregate value of awards to such non-executive under any other share compensation arrangement, shall not exceed \$150,000 at the time of the grant.
- (d) Unless the Company has received disinterested shareholder approval to do so:
 - i. the aggregate number of Common Shares reserved for issuance to Insiders under the Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant;
 - ii. the aggregate number of Common Shares issued to Insiders in any 12-month period under this Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

The Board may amend any Option with the consent of the affected optionee and the TSX-V, including any shareholder approval required by the TSX-V. In accordance with the requirements of the TSX-V, Shareholder approval shall be obtained for any amendment that results in:

- (a) any reduction in the exercise price of an Option;
- (b) any cancellation and reissuance of an Option;
- (c) an increase in the maximum number of Shares issuable pursuant to the Option Plan (other than pursuant to Section 2 of the Option Plan);
- (d) an extension of the Expiry Date for Options granted to Insiders under the Option Plan;
- (e) other types of compensation through Share issuance;
- (f) granting rights to an Option Plan participant (a "**Participant**") to assign Options;
- (g) the addition of additional categories of Participants (other than as contemplated by Section 2 of the Option Plan);
- (h) changes in eligible participants that may permit the introduction or reintroduction of non-employee directors on a discretionary basis; or

- (i) any amendments to this Option Plan that will increase the Company's ability to amend the Option Plan without shareholder approval.

Shareholder Approval

The rules of the TSX-V require that the Option Plan be approved by an Ordinary Resolution passed by a majority of the votes cast by holders of Shares of the Company present or represented by proxy at the Meeting.

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass, with or without variation, the Ordinary Resolution in the form set forth below:

"BE IT RESOLVED THAT AS AN ORDINARY RESOLUTION OF THE MAJORITY OF THE MINORITY SHAREHOLDERS THAT:

1. Subject to the approval of the TSX Venture Exchange and any other regulatory approvals, if so required, the Option Plan as described in the Information Circular of the Company attached as schedule B as dated May 18, 2021 and all unallocated entitlements issuable pursuant to the Option Plan are hereby approved and authorized for issuance until the date that is one year from the date of the Meeting; and
2. Any one Director or officer of the Company is authorized and directed on behalf of the Company to execute all documents and to do all such other acts and things as such Director or officer may determine to be necessary or advisable to give effect to the foregoing provisions of this resolution."

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE RSU/DSU PLAN RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.

PART THREE - OTHER BUSINESS

As of the date of this Information Circular, the management of the Company knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this statement of executive compensation:

"CEO" means the Company's chief executive officer;

"CFO" means the Company's chief financial officer;

"Named Executive Officer" or "NEO" means:

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

As at August 31, 2020, the end of the most recently completed financial period of the Company, the Company had two

(2) NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

Director and named executive officer compensation

The following table is a summary of compensation awarded to, earned by, paid to, or payable to each director and NEO of the Company for the two most recently completed financial periods ended August 31, 2020 and August 31, 2019.

Table of compensation excluding compensation securities							
Name and position	Fiscal period end	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Joseph Hebert ⁽¹⁾ <i>CEO and Director</i>	2020	\$261,447 ⁽²⁾	Nil	Nil	Nil	Nil	\$261,447
	2019	\$243,307 ⁽³⁾	Nil	Nil	Nil	Nil	\$247,307
Ian Slater ⁽⁴⁾ <i>Executive Chairman of the Board</i>	2020	\$37,500	Nil	Nil	Nil	Nil	\$37,500
	2019	N/A	N/A	N/A	N/A	N/A	N/A
Rakesh Patel ⁽⁵⁾ <i>CFO</i>	2020	N/A	N/A	N/A	N/A	N/A	N/A
	2019	\$40,000	Nil	Nil	Nil	Nil	\$40,000
Alex Tong ⁽⁶⁾ <i>CFO</i>	2020	\$68,250	Nil	Nil	Nil	Nil	\$68,250
	2019	N/A	N/A	N/A	N/A	N/A	N/A
James Cragg ⁽⁷⁾ <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	\$18,574 ⁽³⁾	Nil	Nil	Nil	Nil	\$18,574
Kevin Nishi ⁽⁸⁾ <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	\$22,170	Nil	Nil	Nil	Nil	\$22,170
John Anderson ⁽⁹⁾ <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	\$16,455	Nil	Nil	Nil	Nil	\$16,455
Len Goldsmith ⁽¹¹⁾ <i>Former CFO</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	\$37,500	Nil	Nil	Nil	Nil	\$37,500
David Thomas ⁽¹²⁾ <i>VP Exploration</i>	2020	\$51,750	Nil	Nil	Nil	Nil	\$51,750
	2019	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Mr. Hebert was appointed as a director of the Company effective as of January 21, 2014 and as CEO of the Company effective as of January 28, 2016. Mr. Hebert received compensation in the amount of \$Nil for acting as a director of the Company and \$261,447 for acting as CEO of the Company.
- (2) Compensation paid in US dollars during the financial year ended August 31, 2020 is converted into Canadian dollars by using an average exchange rate for the fiscal 2020 financial year of 1.3453.
- (3) Compensation paid in US dollars during the financial year ended August 31, 2019 is converted into Canadian dollars by using an average exchange rate for the fiscal 2019 financial year of 1.3267.
- (4) Mr. Slater was appointed as Executive Chairman of the Board on January 24, 2020. Mr. Slater's consulting fees were paid to Slater Corporate Services Corporation.
- (5) Mr. Patel was appointed as CFO of the Company effective as of October 1, 2018 and ceased as CFO on Oct 1, 2019.
- (6) Mr. Tong was appointed as CFO of the Company effective as of November 25, 2019. Mr Tong's consulting fees were paid to Calibre Capital Corp. and Northhouse Capital Corp.

- (7) Mr. Cragg was appointed as a director of the Company effective as of December 13, 2004 and resigned effective December 17, 2019.
- (8) Mr. Nishi was appointed as a director of the Company effective as of February 16, 2015.
- (9) Mr. Anderson was appointed as a director of the Company effective as of August 7, 2017 and appointed as Chairman of the Company for the interim period of Oct 31, 2019 – January 24, 2020. Mr. Anderson ceased as a director effective June 25, 2020.
- (10) Mr. Goldsmith was appointed as the CFO of the Company effective as of October 17, 2013 and ceased to be the CFO effective as of October 1, 2018. Mr. Goldsmith's consulting fees were paid to Goldnor Global Management Inc. in connection with Mr. Goldsmith providing CFO services to the Company.
- (11) Mr. Thomas served as VP Exploration of the Company from November 25, 2019 to January 21, 2021. Mr. Thomas' consulting fees were paid to DKT Geosolutions Inc.

Stock options and other compensation securities

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Joseph Hebert ⁽¹⁾ <i>CEO and Director</i>	Stock options	1,750,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
Ian Slater ⁽²⁾ <i>Executive Chairman of the Board</i>	Stock options	1,000,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
Rakesh Patel ⁽³⁾ <i>CFO</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alex Tong ⁽⁴⁾ <i>CFO</i>	Stock options	500,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
James Cragg ⁽⁵⁾ <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Nishi ⁽⁶⁾ <i>Director</i>	Stock options	500,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
John Anderson ⁽⁷⁾ <i>Director</i>	Stock options	500,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
Jay Sujir ⁽⁸⁾ <i>Director</i>	Stock options	500,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025
Dave Thomas ⁽⁹⁾ <i>VP Exploration</i>	Stock options	500,000	Feb 7, 2020	\$0.10	\$0.10	\$0.40	Feb 7, 2025

Notes:

- (1) Mr. Hebert held a total of 1,910,000 stock options as of the last day of the most recently completed financial year.
- (2) Mr. Slater held a total of 1,000,000 stock options as of the last day of the most recently completed financial year.
- (3) Mr. Patel held no compensation securities on the last day of the most recently completed financial year.
- (4) Mr. Tong held a total of 500,000 stock options as of the last day of the most recently completed financial year.
- (5) Mr. Cragg held a total of 20,000 stock options as of the last day of the most recently completed financial year.
- (6) Mr. Nishi held a total of 530,000 stock options as of the last day of the most recently completed financial year.
- (7) Mr. Anderson held a total of 500,000 stock options as of the last day of the most recently completed financial year.
- (8) Mr. Sujir held a total of 500,000 stock options as of the last day of the most recently completed financial year.
- (9) Mr. Thomas held a total of 400,000 stock options as of the last day of the most recently completed financial year.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year. Other than David Thomas who exercised 100,000 options at \$0.10 on August 10, 2021.

Employment, consulting and management agreements

Except as disclosed herein, the Company does not have any agreement or arrangement under which compensation was provided during the most recently completed financial period ended August 31, 2020 or is payable in respect of services provided to the Company that were performed by a director or a NEO, or performed by any other party but are services typically provided by a director or a NEO.

Joseph Hebert, the CEO for the Company, entered into an amended and restated employment agreement (the “**Hebert Agreement**”) with the Company on January 28, 2016, pursuant to which Mr. Hebert agreed to perform the duties and fulfill the responsibilities consistent with the position held in consideration of an annual salary of US\$188,000, plus health and fringe benefits of approximately US\$50,000 per year. Mr. Hebert’s employment pursuant to the Hebert Agreement is for an indefinite term, continuing until terminated pursuant to the terms of the Hebert Agreement. The Company may terminate the Hebert Agreement for cause, as more particularly set out in the Hebert Agreement, or at any time without cause by payment to Mr. Hebert equal to two times his annual salary plus one times his annual benefits, based on the annual salary and benefits pursuant to the Hebert Agreement at the time of termination, and all wages and benefits owing to Mr. Hebert up to and including his last day of employment (collectively, the “**Severance Package**”, as defined in the Hebert Agreement). Mr. Hebert may terminate the Hebert Agreement on 60-days’ written notice to the Company if: (i) the Company makes a material adverse change in the salary, duties, or responsibilities assigned to Mr. Hebert pursuant to the Hebert Agreement; or (ii) a “change in control” (as defined in the Hebert Agreement) of the Company occurs; in either of which cases, the Company shall pay to Mr. Hebert the Severance Package. Mr. Hebert may terminate the Hebert Agreement at any time without cause on 60-days’ written notice to the Company, with all remaining salary and benefits ceasing on that effective date.

On March 1, 2016, the Company entered into a consulting agreement with Goldnor Global Management Inc. (“**Goldnor**”), a company owned and controlled by Len Goldsmith, former CFO of the Company (the “**Goldnor Agreement**”). The services of Mr. Goldsmith as CFO and Corporate Secretary of the Company were provided by and performed under the Goldnor Agreement. Goldnor provided the Company with accounting, financial, corporate, and regulatory compliance services in consideration of an annual service fee of \$150,000, pro-rated for time spent on any business in connection with the Company, plus applicable taxes; plus reimbursement of all preapproved expenses incurred by Goldnor in furtherance of or in connection with the business of the Company and its subsidiaries. The Goldnor Agreement contained non-disclosure and non-solicitation provisions typical of an agreement of this nature. Mr. Goldsmith ceased to be CFO of the Company effective as of October 1, 2018, accordingly the Goldnor Agreement has been terminated.

Oversight and description of director and named executive officer compensation

The compensation of directors is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels, if any, for the directors. Currently, the Company has no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors.

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives;
- to align the interests of the Company’s executives with the interests of the shareholders;
- to reward executive officers based on their skill and experience level, the level of responsibility involved in their position, the individual’s experience and qualifications;
- to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives, and for their individual performance; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in a similar business in appropriate regions.

The Company aims to design executive compensation packages that are comparable to those for executives with similar talents, qualifications and responsibilities at companies with similar financial and operating characteristics. However, executive compensation is not evaluated against a formal “peer group”.

The Company has implemented three levels of compensation. First, executive officers may be paid a monthly consulting fee or salary. Second, executive officers may be awarded long term incentives in the form of stock options. Finally, and only in special circumstances, cash or share bonuses for exceptional performance that results in a significant increase in shareholder value may be awarded. The Company does not provide pension benefits to the executive officers.

The base compensation of the executive officers is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels for the executive officers. The Compensation Committee may make recommendations to the Board from time to time regarding stock option grants to be made pursuant to the Plan. The Compensation Committee may also make recommendations regarding awarding bonuses, which are then approved by the independent members of the Board at their discretion. The Compensation Committee and Board do not have pre-existing performance criteria or objectives that it considers in setting compensation amounts.

See “*Statement of Executive Compensation - Director and named executive officer compensation*” above for a description of the compensation awarded to each NEO during the most recently completed financial period ended August 31, 2018. Compensation for the most recently completed financial period should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company’s financial resources and prospects.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company’s most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (stock option plan)	6,915,000	\$0.16	3,864,813
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total:	6,915,000	\$0.16	3,864,813

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, proposed nominees for election as directors and their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or has been at any time during the most recently completed financial year, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or above, since the commencement of the Company’s most recently completed financial year, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction that has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than by the directors or executive officers of the Company or subsidiary. See “Employment, consulting and management agreements” above.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day to day management of the Company. The Canadian Securities Administrators (“CSA”) have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The composition of the Board currently consists of the following four members: Joseph Hebert, Ian Slater, Jay Sujir and Kevin Nishi. It is proposed that at the Meeting the following four individuals will be elected as member of the Board for the ensuing year: Joseph Hebert, Kevin Nishi, Ian Slater and Jay Sujir.

The Board consists of a majority of individuals who qualify as independent directors. For this purpose, a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgment. Of the proposed nominees, Joseph Hebert, President and CEO is considered to be a non-independent director.

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers as at May 21, 2020:

Name of Director	Name of Reporting Issuer
Ian Slater	Libero Copper & Gold Corp. Abigail Capital Corporation AUX Resources Corporation
Jay Sujir	Vanadian Energy Corp. Collingwood Resources Corp. Carlin Gold Corporation Roughrider Exploration Limited Kutcho Copper Corp. Libero Copper & Gold Corp. Abigail Capital Corporation
Kevin Nishi	Providence Gold Mines Inc.

Orientation and Continuing Education

Orientation of new members of the Board is conducted informally by Management and members of the Board. The Company has not adopted formal policies respecting continuing education for Board members.

Ethical Business Conduct

The Board has adopted a formal written Code of Business Ethics and Conduct for its directors, officers and employees. The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance objectives and goals. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest. The Code of Business Ethics and Conduct is posted on the Company's profile at www.SEDAR.com.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual general meeting. The Board takes into account the number of directors required to carry out the Board's duties effectively and to maintain diversity of views and experience.

The Board has not established a nominating committee and this function is currently performed by the Board as a whole.

Board Committees

The Board has no committees other than the Audit Committee.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors and receives reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE

Audit Committee Disclosure

Pursuant to Section 224(1) of the British Columbia Business Corporations Act and National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") the Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (i) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (ii) reviewing the systems for internal corporate controls which have been established by the Board and management; and (iii) overseeing the Company's financial reporting processes generally. In meeting these responsibilities the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

Composition of the Audit Committee:

The Audit Committee is comprised of the following members: Ian Slater, Jay Sujir and Kevin Nishi. Each member of the Audit Committee is considered to be financially literate, as defined by NI 52-110, in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee are elected by the Board at its first meeting following the annual shareholders' meeting. Unless a chair is elected by the full Board, the members of the Audit Committee designate a chair by a majority vote of the full Audit Committee membership.

Relevant Education and Experience

All three Audit Committee members have 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 of the issues that can reasonably be expected to be raised by the Company's financial statements and are therefore considered "financially literate".

Ian Slater – Mr. Slater is an entrepreneur who has founded numerous companies and been involved in the mining industry for over twenty years. Previously, Mr. Slater was the Managing Partner of both Ernst & Young's Canadian and Arthur Andersen's Central Asian Mining Practices. Mr. Slater is a Chartered Accountant.

Jay Sujir – Mr. Sujir is a Director of the Company. Mr. Sujir is a securities and natural resources lawyer who has extensive experience in advising and assisting public companies. He has been a partner with Farris, Vaughan, Wills & Murphy, LLP since May 2015. From 1991 to May 2015, Mr. Sujir was a partner at Anfield, Sujir Kennedy & Durno, LLP and its predecessor firms. Mr. Sujir obtained his Bachelor of Arts degree from the University of Victoria in 1981 with a double major in Economics and Philosophy and obtained his Bachelor of Law degree from the University of Victoria in 1985. He is a member of the Law Society of British Columbia and the Canadian Bar Association.

Kevin Nishi – Mr. Nishi is a CPA, CA and Chartered Business Valuator in practice with Smythe LLP, Chartered Professional Accountants. He has been a partner of the firm since 1996. Mr. Nishi holds a Bachelor of Business Administration from Simon Fraser University. Mr. Nishi has extensive background in accounting and auditing for public and private companies and he is a director of several publicly traded mineral exploration companies. Mr. Nishi is considered a financial expert.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee, a copy of which is attached hereto as Schedule "A".

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 6.1.1(4), (5) and (6) provide exemptions in certain circumstances from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the venture issuer. Part 8 permits a company to apply to

a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

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

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
August 31, 2020	\$32,000	\$nil	\$7,250	\$nil
August 31, 2019	\$37,500	\$nil	\$6,050	\$nil

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Financial information is provided in the Company’s comparative annual audited financial statements and management’s discussion and analysis (“**MD&A**”) for its most recently completed financial year, and will be available online at www.sedar.com. Shareholders may request additional copies by mail to Suite 905 – 1111 West Hastings Street, Vancouver, British Columbia, V6E 2J3.

DIRECTORS’ APPROVAL

The contents and the sending of the accompanying Notice of Meeting and this Information Circular have been approved by the Board.

DATED at Vancouver, British Columbia, this 18th day of May, 2021

ON BEHALF OF THE BOARD OF DIRECTORS

“*Joseph Hebert*”

Joseph Hebert
Chief Executive Officer

Schedule “A”

AUDIT COMMITTEE CHARTER

PURPOSE OF THE AUDIT COMMITTEE

The purpose of the Audit Committee (the “**Audit Committee**”) of the board of directors (the “**Board**”) of Outcrop is to provide an open avenue of communication between management, Outcrop’s independent auditor and the Board, and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of Outcrop’s financial reporting and disclosure practices;
- Outcrop’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of Outcrop’s independent auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, Outcrop’s articles and governing laws, as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of Outcrop or of an affiliate of Outcrop. The quorum for a Meeting of the Audit Committee is a majority of the members who are not officers or employees of Outcrop or of an affiliate of Outcrop. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee’s role is one of oversight. Management is responsible for preparing Outcrop’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“**IFRS**”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit Outcrop’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of Outcrop in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing Outcrop’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for Outcrop, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of Outcrop’s Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of Outcrop’s accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review Outcrop's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by Outcrop, including consideration of the independent auditor's judgment about the quality and appropriateness of Outcrop's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts Of interest.
9. Pre-approve all non-audit services to be provided to Outcrop by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and Outcrop and all non-audit work performed for Outcrop by the independent auditor.
11. Establish and review Outcrop's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of Outcrop.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of Outcrop.

**SCHEDULE “B”
OUTCROP GOLD CORP.
STOCK OPTION PLAN**

(As dated May 18, 2021 and last approved
by the Corporation’s Shareholders on June 25, 2020)

INCENTIVE STOCK OPTION PLAN

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DEFINITIONS AND INTERPRETATION

Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

“**Accelerated Vesting Event**” means the occurrence of any one of the following events:

1. The acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable securities Laws), directly or indirectly, of Common Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such Person or Persons, Persons associated with such Person or Persons, or Persons affiliated with such Person or Persons (as determined under applicable securities Laws) (collectively, the “**Acquirors**”), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
2. An amalgamation, merger, arrangement or other business combination (a “**Business Combination**”) involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, will own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;

“**Affiliate**” has the meaning ascribed thereto by the Exchange;

“**Board**” means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than 3 Directors of the Corporation duly appointed to administer this Plan;

“**Common Shares**” means the common shares of the Corporation;

“**Consultant**” means an individual who:

1. provides ongoing consulting, technical, management or other services to the Corporation or an Affiliate under a written contract with the Corporation or the Affiliate other than services provided in relation to a Distribution,
2. possesses technical, business or management expertise of value to the Corporation or an Affiliate,
3. in the opinion of the Corporation, spends or will spend a reasonable amount of time and attention on the business and affairs of the Corporation or an Affiliate, and
4. has a relationship with the Corporation or an Affiliate that enables the Consultant to be knowledgeable about the business and affairs of the Corporation or the Affiliate,

and includes a company of which a Consultant is an employee or shareholder and a partnership of which a Consultant is an employee or partner;

“Convertible Securities” means any security of the Corporation which is convertible into Common Shares;

"Corporation" means Outcrop Gold Corp. Corporation and its successor entities;

"Director" means a director of the Corporation or of an Affiliate;

"Disinterested Shareholder Approval" has the meaning ascribed thereto by the Exchange in "Policy 4.4 – Incentive Stock Options" of the TSX Venture Exchange Corporate Finance Manual;

"Eligible Person" means a Director, Officer, Employee or Consultant, and includes an entity all the voting securities of which are owned by Eligible Persons;

"Employee" means an individual who:

1. is considered an employee of the Corporation or an Affiliate under the *Income Tax Act* (Canada), i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,
2. works full-time for the Corporation or an Affiliate providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or the Affiliate over the details and method of work as an employee of the Corporation or the Affiliate, but for whom income tax deductions are not made at source, or
3. works for the Corporation or an Affiliate 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 method of work as an employee of the Corporation or its subsidiary, but for whom income tax deductions are not made at source;

"Exchange" means the TSX Venture Exchange and any successor entity or the Toronto Stock Exchange as applicable depending on where the Corporation is listed at the relevant date;

"Expiry Date" means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;

"Governmental Authorities" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:

1. having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any geographic or political subdivision of any of them; or
2. exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"Insider" has the meaning ascribed thereto by the Exchange;

"Investor Relations Activities" has the meaning ascribed thereto by the Exchange;

"Laws" means currently existing applicable statutes, by-laws, rules, regulations, orders, ordinances or judgments, in each case of any Governmental Authority having the force of the law;

"Management Company Employee" means an individual who is employed by a Person providing management services to the Corporation which are required for the ongoing successful operation of

the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities;

"Material Information" has the meaning ascribed thereto by the Exchange;

"**Officer**" means an officer of the Corporation or of an Affiliate, and includes a Management Company Employee;

"**Option**" means an option to purchase Common Shares granted to an Eligible Person pursuant to this Plan;

"**Optionee**" means an Eligible Person who has been granted an Option;

"**Other Share Compensation Arrangement**" means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise; and

"**Plan**" means this Incentive Stock Option Plan.

Interpretation

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

If the Corporation is listed on the Toronto Stock Exchange, the provisions of this Plan as they relate to companies listed on Tier 1 of the TSX Venture Exchange shall apply.

ESTABLISHMENT OF PLAN

Purpose

The purpose of this Plan is to provide an effective long-term incentive to Eligible Persons from time to time.

Shares Reserved

The aggregate number of Common Shares reserved for issuance pursuant to the exercise of Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for issuance upon exercise of Options subsequently granted under this Plan.

If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:

1. the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;

2. the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
3. the vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.

The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ADMINISTRATION OF PLAN

Administration

This Plan shall be administered by the Board or any committee established by the Board for the purposes of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:

1. to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Optionee's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited;
2. to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Sections 3.3 and 3.4 hereof.

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

For stock options granted to Employees, Consultants or Management Company Employees, the Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Optionee. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

Compliance with Laws

This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign Laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.

No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

Common Shares sold, issued and delivered to Optionees pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

OPTION GRANTS

Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Optionee. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

Limitation on Grants and Exercises

To any one person. The number of Options granted to any one Person (and companies owned by that Person) in any 12-month period under this Plan and any Other Share Compensation Arrangement

shall not exceed 5% of the issued Common Shares at the time of the grant, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit.

To Consultants. The aggregate number of Options granted to any one Consultant in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the issued Common Shares at the time of the grant.

To persons conducting Investor Relations Activities. The aggregate number of Options Granted to all Persons retained to provide Investor Relations Activities in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the issued Common Shares at the time of the grant.

To Non-Executive Directors. The aggregate value of Options granted to any one non-executive Director in any 12-month period under this Plan:

1. shall not exceed \$100,000, at the time of the grant;
2. together with the aggregate value of awards to such non-executive under any Other Share Compensation Arrangement, shall not exceed \$150,000 at the time of the grant.

To Insiders. Unless the Corporation has received Disinterested Shareholder Approval to do so:

1. the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant;
2. the aggregate number Options granted to Insiders (as a group) in any 12-month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

OPTION TERMS

Exercise Price

The exercise price per Option granted hereunder shall be determined by the Board, but it will in no event be less than the "Discounted Market Price", as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required or permitted by the Exchange.

If Options are granted within ninety days of a distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection 5.1(a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. Such ninety-day period shall begin:

1. on the date the final receipt is issued for the final prospectus in respect of such distribution; and
2. in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

Expiry Date

Every Option shall have a term not exceeding and shall therefore expire no later than 10 years after the date of grant (subject to extension where the expiry date falls within a "blackout period"), pursuant to section 5.7).

Vesting

Subject to the subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.

Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3-month period.

Accelerated Vesting Event

Subject to subsection 5.3(b) and in compliance with the policies of the Exchange, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Option, except pertaining to options granted to Consultants performing Investor Relations Activities which will be subject to prior written Exchange approval, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

Effect of Take-Over Bid

If a take-over bid (as defined under applicable securities Laws) (the “Offer”) is made for Common Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors, the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Options will become fully vested and the Options may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Common Shares received upon such exercise, pursuant to the Offer. However, if:

the Offer is not completed within the time specified therein; or

all of the Common Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof

then the Common Shares received upon such exercise, or in the case of clause (b) above, the Common Shares that are not taken up and paid for may be returned by the Optionee to the Corporation and reinstated as authorized but unissued Common Shares and with respect to such returned Common Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Common Shares were to become vested pursuant to this section shall be reinstated. If any Common Shares are returned to the Corporation under this section, the Corporation shall immediately refund the exercise price to the Optionee for the Options relating to such returned Common Shares.

Non-Assignability

Options may not be assigned or transferred.

Ceasing to be Eligible Person

If an Optionee who is a Director, Officer, Employee or Consultant is terminated for cause, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable upon such termination for cause.

If an Optionee dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Optionee shall be exercisable by the heirs or administrators of such Optionee and shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is six months after the date of the Optionee's death, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after the date of the Optionee's death.

If an Optionee ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) herein, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is 30 days after such event, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event, and further provided that the Board may, in its discretion, on a case-by-case basis and only with the approval of the Exchange, further extend the date of such termination and the resulting period in which such Option remains exercisable to a date exceeding the date which is after twelve months of such event.

If any portion of an Option grant is not vested at the time an Optionee ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option grant may not be thereafter exercised by the Optionee or its legal representative, as the case may be, provided that the Board may, in its discretion further and subject to the approval of the Exchange where the vesting of the said Optionee's options was a requirement of the Exchange's policies, thereafter permit the Optionee or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the relevant Option grant that would have vested prior to the time such Option otherwise terminates and therefore ceases to be exercisable pursuant to the terms of this Section. For greater certainty, and without limitation, this provision will apply regardless of whether the Optionee ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Optionee received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option grant to vest.

Blackout Periods

An Option will be automatically extended past the expiry date of an Option governed by the Plan if such expiry date falls within a period (a "**blackout period**") during which the Corporation prohibits Optionees from exercising their Options provided that the following requirements are satisfied:

The blackout period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information. For greater certainty, in the absence of the Corporation formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances.

The blackout period must expire upon the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten (10) business days after the expiry of the blackout period.

The automatic extension of an Optionee's Options will not be permitted where the Optionee or the Corporation is subject to a cease trade order (or similar order under securities Laws) in respect of the Corporation's securities.

EXERCISE PROCEDURE

Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Optionee only upon the Optionee's delivery to the Corporation at its head office of:

a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;

the originally signed option agreement with respect to the Option being exercised;

a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws; and

documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the Laws of any jurisdiction;

and on the business day following, the Optionee shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Optionee.

Withholding

The Corporation may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Corporation to comply with the applicable requirements of any federal, provincial, local, or foreign law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to options ("**Withholding Obligations**"). The Corporation may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Corporation in advance, or reimburse the Corporation for, any such Withholding Obligations or (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

AMENDMENT OF OPTIONS

Consent to Amend

The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange.

Shareholder approval shall be obtained in accordance with the requirements of the TSX Venture Exchange for any amendment that results in:

1. any reduction in the exercise price of an Option (which would require disinterested shareholder approval);

2. any cancellation and reissuance of an Option;
3. an increase in the maximum number of Shares issuable pursuant to the Plan (other than pursuant to Section 2);
4. an extension of the Expiry Date for Options granted to Insiders under the Plan;
5. other types of compensation through Share issuance;
6. granting rights to a Participant to assign Options;
7. the addition of additional categories of Participants (other than as contemplated by Section 2);
8. changes in eligible participants that may permit the introduction or reintroduction of non-employee directors on a discretionary basis; or
9. any amendments to this Section 7 that will increase the Corporation's ability to amend the Plan without shareholder approval.

Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

MISCELLANEOUS

No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon an Optionee any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Optionee shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

No Right to Employment

Nothing in this Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Optionee's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.