

# **MAMMOTH RESOURCES CORP.**

150 YORK STREET, SUITE 410  
TORONTO, ONTARIO M5H 3S5

## **INFORMATION CIRCULAR**

(as at July 18, 2023 except as otherwise indicated)

## **SOLICITATION OF PROXIES**

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the Management of Mammoth Resources Corp. (the “**Company**”). The accompanying form of proxy (the “**Proxy**”) is for use at the General and Special Meeting of the shareholders of the Company to be held on Wednesday, August 30, 2023 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone, facsimile or electronically by the directors and regular employees of the Company or other proxy solicitation services. The Company will bear the cost of this solicitation.

## **VOTING INSTRUCTIONS**

### **Registered Shareholders**

Registered shareholders hold common shares that are registered directly in their names. **Registered shareholders may vote by attending the online Zoom Meeting, by appointing proxyholders, by telephone or by voting online.**

Registered shareholders that wish to vote in person at the Meeting do not need to complete and deposit the accompanying form of Proxy and should register with the scrutineer at the Meeting.

Registered shareholders that wish to appoint a proxyholder to vote at the Meeting may complete the accompanying form of Proxy. The accompanying form of Proxy names a director and/or officer of the Company as a proxyholder/alternate proxyholder (the “**Management Nominees**”).

**Registered shareholders that wish to appoint another person who need not be a shareholder to serve as proxyholder/alternate proxyholder at the Meeting may do so by striking out the names of the Management Nominees and inserted the desired name(s) in the blank space provided in the accompanying form of Proxy. Registered shareholders may direct the manner in which their common shares are to be voted or withheld from voting at the Meeting by marking their instructions on the accompanying form of Proxy. The common shares represented by the accompanying form Proxy will be voted or withheld from voting by the Management Designees in accordance with the instructions of registered shareholders. If there are no instructions, those common shares will be voted for each matter. The accompanying form Proxy grants the proxyholder discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, Management knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

A proxy will not be valid unless it is deposited with our transfer agent Computershare Investor Services Inc. (“**Computershare**”), (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone 1-866-732-8683 (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com). All instructions are listed in the enclosed Proxy Form. Your proxy or voting instructions must be received in each case no later than 10:00am (Eastern Standard time) on August 28, 2023 or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the Meeting.

The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

The Proxy may be revoked by:

- (a) completing a Proxy with a later date and depositing it by the time and in accordance with the instructions above;
- (b) signing and dating a written notice of revocation and delivering it to the Company's registered office any time up to and including the last business day preceding the day of the Meeting, or any postponement or adjournment or to the Chairman of the Meeting on the day of the Meeting, or any postponement or adjournment; or
- (c) attending the Meeting, or any postponement or adjournment, and registering with the scrutineer as a shareholder present in person.

### **Non-Registered Shareholders**

Non-registered shareholders hold common shares that are registered in the name of an intermediary (such as a broker, bank, trust company, securities dealer, trustees or administrators of RRSP's, RRIF's, RESP's or similar plans) or clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust Company). **Non-registered shareholders may vote in person or through a proxyholder at the Meeting or through intermediaries using the voting instruction form (or other form) accompanying the Circular. Alternatively, some non-registered shareholders may be able to vote by telephone or online and should refer to the voting instruction form (or other form) accompanying the Circular for further details and instructions.**

If non-registered shareholders wish to vote in person or through a proxyholder at the Meeting, it is critical to follow the required procedures for appointing proxyholders given that the Company does not have unrestricted access to the names of the Company's non-registered shareholders and accordingly would not otherwise have any record of a non-registered shareholder's entitlement to vote at the Meeting.

**Non-registered shareholders may appoint themselves or nominees as proxyholders using one of the following procedures:**

- (a) **carefully following the instructions for appointing a proxyholder contained in the accompanying voting instruction form (or other form) accompanying the Circular and ensuring that such request is communicated to the appropriate person well in advance of the Meeting and in accordance with such instructions; or**
- (b) **unless prohibited by applicable corporate law, submitting any other document in writing to its intermediary requesting the non-registered shareholder or its nominee be given authority to attend, vote and otherwise at for and on behalf of the registered shareholder in respect of all matters that may come before the Meeting or any postponement or adjournment by 10:00 a.m. (local time in Toronto, Ontario) on Friday, August 25, 2023 (or before 72 hours, excluding Saturdays, Sundays and holidays) before any postponement or adjournment of the Meeting.**

**Non-registered shareholders that wish to vote through their intermediaries using the voting instruction form (or other form) accompanying the Circular should carefully follow the instructions contained in the voting instruction form (or other form) accompanying the Circular and should ensure that such instructions are communicated to the appropriate person well in advance of the Meeting.**

**Non-registered shareholders should refer to the voting instruction form (or other form) accompanying the Circular to determine if telephonic or online voting is available.**

**Non-registered shareholders that wish to change voting instructions or to appoint a proxyholder after delivering voting instructions in accordance with the instructions on a voting instruction form (or other form) accompanying the Circular should contact their intermediary to discuss whether this is possible and what procedures must be followed.**

#### **Distribution to Non-Registered Shareholders**

Pursuant to the provisions of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company is sending proxy-related materials to both registered and non-registered shareholders. Non-registered shareholders fall into two categories: those who object to their identity being known to the Company (“**OBOs**”) and those who do not object to their identity being made known to the Company (“**NOBOs**”).

The Company is sending proxy-related materials to intermediaries for distribution to NOBOs pursuant to NI 54-101. Unless NOBOs waive the right to receive proxy-related materials, intermediaries are required to deliver materials to NOBOs and to seek voting instructions from NOBOs.

The Company will not assume the costs of delivery of proxy-related materials for the Meeting to OBOs. Accordingly, OBOs may not receive proxy-related materials for the Meeting unless intermediaries assume the cost of delivery.

#### **Financial Statements**

The audited financial statements of the Company for the years ended January 31, 2021, January 31, 2022 and January 31, 2023, together with the auditor’s report on those statements, will be available for distribution, upon request, to the shareholders at the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at the date of the accompanying Notice of Meeting, the Company’s authorized capital consists of an unlimited number of common shares of which 67,329,753 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Registered shareholders as at the close of business on July 18, 2023, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set out in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the issued and outstanding common shares of the Company.

### **ELECTION OF DIRECTORS**

The directors of the Company are elected and hold office until the next general meeting of the shareholders or until their successors are elected or appointed. Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company is currently set at three.

The Company has previously approved an Advance Notice of Policy dealing with the nomination of Directors at an General Meeting. A copy of the Company's Advance Notice Policy is attached to this Information Circular as Schedule "B".

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

<b>Name, province or state and country of residence and position, if any, held in the Company</b>	<b>Present and Principal Occupation During the Last Five Years</b>	<b>Served as director of the Company since</b>	<b>Stock Options  Beneficially Owned Directly or Indirectly or Controlled or Directed</b>	<b>Common Shares  Beneficially Owned Directly or Indirectly or Controlled or Directed<sup>(1)</sup></b>
Thomas Atkins <sup>(2)(3)</sup> Ontario, Canada <i>President, Chief Executive Officer and Director</i>	President and CEO of Mammoth Resources Corp., CEO of War Eagle Mining Corp.	April 12, 2012	1,546,000 Stock Options	3,961,700 Common Shares
Richard Simpson <sup>(2)(3)</sup> Quebec, Canada <i>Director and VP Exploration</i>	Vice-President of Exploration of Mammoth Resources Corp.	January 13, 2015	851,250 Stock Options	2,487,500 Common Shares
Paul O'Brien <sup>(2)(3)</sup> Ontario, Canada <i>Director and Corporate Secretary</i>	President and Director of Anthem Capital Group Inc., Vice President Investment Banking, RCI Capital	May 25, 2017	456,250 Stock Options	Nil

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the governance and compensation committee.
- (3) A member of the audit committee.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

### **Corporate Cease Trade Orders or Bankruptcies**

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

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days, other than Mammoth Resources Corp. which issued a voluntary Management Cease Trade Order ("MCTO") on June 3, 2015 with the British Columbia Securities Commission, for failure to file its audited statements of January 31, 2015 and its interim financial statements of April 30, 2015, within the time prescribed by the Securities Act (British Columbia). The unfilled financial statements were subsequently filed on August 4, 2015 and August 10, 2015 respectively. The MCTO was revoked and removed effective August 11, 2015. Mammoth was also issued a voluntary MCTO on June 1, 2016 with the British Columbia Securities Commission, for failure to file its annual audited statements of January 31, 2016 and its interim financial statements of April

30, 2016, within the time prescribed by the Securities Act (British Columbia). The unfiled financial statements were subsequently filed on August 2, 2015 and August 9, 2016 respectively. The MCTO was revoked and removed effective August 10, 2016.

- (b) was subject to an event that resulted, after a director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### **Penalties or Sanctions**

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

## **EXECUTIVE COMPENSATION**

### **Named Executive Officers**

During the financial year ended January 31, 2023, the Company had three Named Executive Officers (“NEOs”) being, Thomas Atkins, the President and Chief Executive Officer (“CEO”), and Sandra Evans, the Chief Financial Officer (“CFO”), and Richard Simpson, Vice-President of Exploration (“VPEX”) of the Company.

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above 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.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### **Compensation Discussion and Analysis**

The Board of Directors (the “Board”) compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, a NEO’s compensation is comprised of management/consulting fees and stock option grants.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel. All salaries and/or consulting fees are to be set on a basis of a review and comparison of compensation paid to executives at similar companies.

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

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### Share-Based and Option-Based Awards

The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

## SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

**Summary Compensation Table**

Name and principal position	Year ended January 31,	Salary (\$) <sup>(1)(2)</sup>	Option-based awards <sup>(5)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual Incentive plans	Long-term incentive plans			
Thomas Atkins <sup>(3)</sup> , <b>CEO and President</b>	2023	120,833	52,922	Nil	Nil	Nil	Nil	173,755
	2022	131,333	67,470	Nil	Nil	Nil	Nil	198,803
	2021	66,000	20,536	Nil	Nil	Nil	Nil	86,536
Sandra Evans <sup>(4)</sup> , <b>CFO</b>	2023	30,833	7,050	Nil	Nil	Nil	Nil	37,883
	2022	31,667	7,800	Nil	Nil	Nil	Nil	39,467
	2021	20,000	8,860	Nil	Nil	Nil	Nil	28,860
Richard Simpson, <b>VP Exploration</b>	2023	77,583	29,081	Nil	Nil	Nil	Nil	106,664
	2022	72,833	38,220	Nil	Nil	Nil	Nil	111,053
	2021	42,000	11,690	Nil	Nil	Nil	Nil	53,690

Notes:

1. Perquisites and other personal benefits have not been included, as they do not reach the prescribed threshold of the lesser of \$50,000 or 10% of the total salary for the financial year.
2. The NEOs have been deferring payment of their salaries, from time to time, since May 2017 in order to preserve cash for use by operations. The accrued salaries are partially repaid, from time to time, using cash and shares for debt.
3. Mr. Atkins was appointed President, Chief Executive Officer of the Company and a director on April 12, 2012.
4. Ms. Evans was appointed Chief Financial Officer of the Company on November 1, 2020.
5. The fair value of the option-based awards is determined using the Black-Scholes Option Pricing Model. All options granted to the NEOs vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.

## INCENTIVE PLAN AWARDS

### Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets out the outstanding option-based awards held by the NEOs of the Company at the end of the most recently completed financial period:

#### Outstanding Option-Based Awards

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup> <sup>(2)</sup>
Thomas Atkins, <b>CEO and President</b>	1,126,000	\$0.05	December 23, 2027	Nil
	432,500	\$0.17	June 9, 2026	Nil
	487,500	\$0.05	July 6, 2025	Nil
Sandra Evans, <b>CFO</b>	150,000	\$0.05	December 23, 2027	Nil
	50,000	\$0.17	June 9, 2026	Nil
	100,000	\$0.09	December 22, 2025	Nil
Richard Simpson, <b>VP Exploration</b>	618,750	\$0.05	December 23, 2027	Nil
	245,000	\$0.17	June 9, 2026	Nil
	277,500	\$0.05	July 6, 2025	Nil

Notes:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares the date of this report over the exercise price of the options.
- (2) All options granted to the directors vested on the date of grant and the exercise price of such options was equal to the closing price of the Company's shares as of the date of grant.

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

The following table sets out details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

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

<b>Name</b>	<b>Option-based awards - Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation - Value earned during the year (\$)</b>
Thomas Atkins, <i>CEO and President</i>	52,922	Nil
Sandra Evans, <i>CFO</i>	7,050	Nil
Richard Simpson, <i>VP Exploration</i>	29,081	Nil

**Narrative Discussion**

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan. A copy of the Company's Stock Option Plan is attached to this Information Circular as Schedule "C".

1. The maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company's shares traded through the facilities of the TSX Venture Exchange (the "**Exchange**") prior to the grant of the option, less any discount permitted by the Exchange, or such other price as may be required by the Exchange.
2. The Board shall not grant options to any one person in any 12 month period which could, when exercised, result in the issuance of shares exceeding 5% of the issued and outstanding shares of the Company unless the Company has obtained the requisite disinterested shareholder approval to the grant, or to any one consultant or to those persons employed by the Company who perform investor relations services which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date later than the fifth anniversary of the date the option is granted.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 90 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan. Options granted to those persons employed by the Company who perform investor relations services must terminate within 30 days after the date on which the option holder ceases to be employed in such capacity.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

**PENSION BENEFITS**

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

**TERMINATION AND CHANGE OF CONTROL BENEFITS**

Other than as described below, the Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary,



involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs responsibilities.

The Company entered into consulting agreements with the CEO and VP Exploration for the provision of consulting services subject to the Capitalization (funds available from a financing, other financing related activities, including project funding, and free of any accruals and debt) of the Company as follows:

Annual Base Compensation	CEO	VP Exploration
Capitalization (Net proceeds of financing):		
Between \$0 to \$500,000	\$66,000	\$42,000
Between \$500,000 to \$1,000,000	\$98,000	\$75,800
Greater than \$1,000,000	\$178,000	\$130,000

In addition to base fees noted above, the officers are eligible for a discretionary bonus up to 100% of base fees as recommended by the Governance and Compensation Committee and approval by the Board of Directors.

The provision of the services shall continue for a period of five years from the effective date and shall be extendable by concurrent periods of 6 months each, unless otherwise terminated. The Company must provide six and twelve months written notice of termination for the VP Exploration and CEO, respectively, but reserves the right to waive such notice upon paying the fees, which would have accrued during these periods. Should the Company be subject to a change of control and the agreements terminate, the agreements will terminate immediately, and the Company will be required to pay the base fees equal to 24 and 36 months for the VP Exploration and CEO, respectively, at the rates equivalent to Capitalization greater than \$1,000,000, plus an amount equal to any discretionary bonus paid or accrued in the preceding 12 month period.

## DIRECTOR COMPENSATION

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Name and principal position	Year ended January 31,	Salary (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annul Incentive plans	Long-term incentive plans			
Paul O'Brien, <i>Director</i>	2023	Nil	14,629	Nil	Nil	Nil	Nil	14,629
	2022	Nil	20,670	Nil	Nil	Nil	Nil	20,670
	2021	Nil	6,845	Nil	Nil	Nil	Nil	6,845

## INCENTIVE PLAN AWARDS

### Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a director. The following table sets out details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year.

### Outstanding Option-Based Awards

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
Paul O'Brien <sup>(2)</sup> , <i>Director</i>	311,250	\$0.05	December 27, 2027	Nil
	132,500	\$0.17	June 9, 2026	Nil
	162,500	\$0.05	July 6, 2025	Nil

Notes:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares on January 31, 2020.
- (2) Paul O'Brien was appointed to the Company's Board of Directors on May 25, 2017.

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

The following table sets out details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

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

Name	Option-based awards - Value vested during the year (\$) <sup>(1)</sup>	Non-equity incentive plan compensation - Value earned during the year (\$)
Paul O'Brien, <i>Director</i>	14,629	Nil

Notes:

- (1) All options granted to the directors vest on the date of grant and the exercise price of such options are equal to the closing price of the Company's shares as of the date of grant.

### EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	3,803,500	\$0.09	2,929,475
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
<b>Total</b>	<b>3,803,500</b>	<b>\$0.09</b>	<b>2,929,475</b>

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

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

Other than as disclosed elsewhere in this Circular, no director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

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

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

## **APPOINTMENT OF AUDITOR**

### **Auditor**

Management intends to nominate Paul J Rozen PC CPA, of Suite 202 - 1220 Kensington Road NW, Calgary, Alberta, for appointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the appointment of Paul J Rozen PC CPA, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors.

## **MANAGEMENT CONTRACTS**

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

## **AUDIT COMMITTEE**

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors.

### **Audit Committee Charter**

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

### **Composition of Audit Committee and Independence**

The Company's current Audit Committee consists of Thomas Atkins, Richard Simpson and Paul O'Brien.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. A majority of the Company's current Audit Committee members are "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. All of the members of the Audit Committee are “financially literate” as that term is defined. The following sets out the Audit Committee members’ education and experience that is relevant to the performance of his responsibilities as an audit committee member.

### **Exemption in Section 6.1**

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

### **Relevant Education and Experience**

Paul O’Brien – Mr O’Brien brings more than 20 years of Investment Banking and Equity Research experience from a number of the Canadian banks and mid-tier capital markets groups, gaining global experience in Canada and Australia through various bank-owned offices. His past experiences have primarily focused on corporate finance, M&A, equity and debt raising, commodity forecasting, off take reviews, as well as, evaluating and recommending publicly-listed stocks to various pension, mutual and hedge funds. During this time, he was ranked in the top five of Wall Street Journal's "*Best on the Street Analyst Survey*" for North American Analysts two years in a row. Mr. O'Brien received his B. Com. from McMaster University and is a CFA Charter holder.

Richard Simpson - Mr. Simpson is a Professional Geologist with more than 20 years of exploration experience throughout Latin America. He is a graduate from the Universite de Montreal with a B.Sc. in geology and has a strong background in grassroots, advanced project, and mine site exploration. Mr. Simpson has worked for several companies, such as Iamgold and Cambior, and juniors including Normabec, as an exploration geologist throughout South America and Mexico.

Thomas Atkins - Mr. Atkins is an accomplished mining executive who has successfully led exploration and development initiatives in the Americas over the past 28 years. He has an extensive background in geology, investment banking, investor relations, management and corporate governance. As a director of investment banking for CIBC World Markets, Mr. Atkins participated in raising over \$1.7 billion in equity, combined equity and debt related capital for numerous small to large capitalization companies and advised on numerous M&A mandates. As a senior executive of small to large capitalization international mining companies he has had the responsibility of the planning, executing and communicating short and long-term corporate objectives and initiatives to key stakeholders.

### **Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

### **Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- (d) the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

## Pre-Approval Policies and Procedures

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

## Audit Fees

The following table sets out the fees paid by the Company and its subsidiaries to Davidson & Company LLP, Chartered Accountants, for services rendered in the last two fiscal years:

Nature of Services	Fees Paid to Auditor in Year Ended January 31, 2023	Fees Paid to Auditor in Year Ended January 31, 2022
Audit Fees <sup>(1)</sup>	\$25,325	\$42,800
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
Total	\$25,325	\$42,800

Notes:

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “Audit related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

## Board of Directors

Management is nominating three (3) individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. Among the current members of the Board, Paul O’Brien is considered “independent” within the meaning of NI 52-110, while Thomas Atkins, who is the President and CEO of the Company and Richard Simpson, VP Exploration, are Officers of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give

direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each general meeting appoints an Audit Committee, Governance and Compensation Committee and New Projects Acquisitions Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “Act”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees.

### **Directorships**

The following directors of the Company are also directors of other reporting issuers as stated:

- Thomas Atkins is a director of Transition Metals Corp;
- Richard Simpson is not a director of any other company;
- Paul O’Brien is not a director of any other company.

### **Orientation and Continuing Education**

Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company’s affairs and plans prior to obtaining their consent to act as a director.

The Board provides training courses to the directors as needed, to ensure that the Board of Directors is complying with current legislative and business requirements.

### **Ethical Business Conduct**

The Board encourages and promotes a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility.

### **Nomination of Directors**

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chairman and a majority of the non-executive directors.

The purpose of the Governance and Compensation Committee is to monitor and to generally be responsible for developing the Company's governance and human resources policies and guidelines relating to corporate governance and human resources and overseeing their implementation and administration.

The Governance and Compensation Committee is responsible for ensuring a compensation policy and practice that is supportive of the Company's business strategies and that appropriately links senior management performance and compensation. In addition, the Governance and Compensation Committee shall ensure the recruitment, ongoing long-term development and deployment of high calibre senior management. In particular, the Governance and Compensation Committee shall establish levels of salary, bonus, benefits and incentives provided to persons acting as officers of the Company.

Following shareholder meetings of the Company, the Board elects from its members not less than two directors to serve on the Governance and Compensation Committee. Each member holds office until the close of the next general meeting of the Company or until the member resigns or is replaced, whichever occurs first. The Board appoints one of the directors on the Governance and Compensation Committee as the chairperson (the "**Governance and Compensation Committee Chairperson**"), whose duties include overseeing the proper functioning of the Corporate Governance and Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Governance and Compensation Committee meets at least once per year and may call special meetings as required. The members of the Governance and Compensation Committee are Tom Atkins and Paul O'Brien.

### **Assessments**

The Board reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

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

### **General Matters**

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

Shareholders are being asked to confirm re-approval of the Stock Option Plan, which was last approved by shareholders of the Company on February 3, 2021. There have been no changes to the Stock Option Plan since it was last confirmed by shareholders.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company's shares traded through the facilities of the Exchange prior to the grant of the option, less any discount permitted by the Exchange, or such other price as may be required by the Exchange.

2. The Board shall not grant options to any one person in any 12 month period which could, when exercised, result in the issuance of shares exceeding 5% of the issued and outstanding shares of the Company unless the Company has obtained the requisite disinterested shareholder approval to the grant, or to any one consultant or to those persons employed by the Company who perform investor relations services which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date later than the tenth anniversary of the date the option is granted.
4. 4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death) then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 60 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan. Options granted to a those persons employed by the Company who perform investor relations services must terminate within 30 days after the date on which the option holder ceases to be employed in such capacity.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution: **“IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed.”**

#### **General Matters**

It is not known whether any other matters will come before the Meeting other than those set out above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set out in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment or postponement of the Meeting.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company’s annual financial statements up to January 31, 2020, a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any security-holder of the Company free of charge by contacting the Company, at Suite 410 – 140 York Street, Toronto, Ontario M5H 3S5 Phone: (416) 479-0887 Fax: (416) 363-4567.

#### **BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Toronto, Ontario, the 18th day of July, 2023.

#### **ON BEHALF OF THE BOARD**

(signed) “Thomas Atkins”

Thomas Atkins

Director, President and Chief Executive Officer



## **MAMMOTH RESOURCES CORP.**

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### **Schedule “A” Audit Committee Charter**

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The Audit Committee will be governed by the following charter:

The Audit Committee of the Board will be a standing Committee and will be responsible for oversight of all account reporting, financial and internal control practices of the Company and its subsidiaries. The Audit Committee will report to the Board and its primary function will be to assist the Board in fulfilling its responsibilities to shareholders related to financial accounting and reporting, the system of internal controls established by management and the adequacy of internal and independent auditing relative to these activities. The Audit Committee will have the authority to retain persons having special competence as necessary to assist the Audit Committee in fulfilling its responsibilities.

The Audit Committee will:

1. Be composed of at least three members, the majority of whom will ideally be independent, non-management and financially literate directors and a majority of whom will be unrelated directors.
2. Meet quarterly and otherwise as required. Minutes will be recorded and reports of Audit Committee meetings will be presented at the next regularly scheduled Board meeting.
3. Be directly responsible for monitoring the Company’s systems and procedures for financial reporting, risk management and internal controls, reviewing all public disclosure documents and monitoring the performance of the Company’s auditors.
4. Be responsible for recommending to the Board the appointment and compensation of the Company’s external auditors.
5. Be directly responsible for the auditors oversight (including the resolution of any disagreements between management and the auditors regarding financial reporting), and the auditors will report directly to the Audit Committee.
6. Have the authority to engage independent counsel and other advisors.
7. Be provided by the Company with appropriate funding, as determined by the Audit Committee, for payment of compensation to the auditors and advisors to the Audit Committee.
8. Provide for an open avenue of communications between the independent auditors, management and the Board and, at least once annually, meet with the Company’s auditors in a private session.
9. Review the qualifications and evaluate the performance of the independent auditors and make recommendations to the Board regarding the selection, fee arrangements, appointment or termination of the auditors.
10. Establish procedures for the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
11. Review and pre-approve all audit and non-audit services, including tax services, provided by the auditors to the Company, or delegate such authority to one or more designated members of the Audit Committee who are independent directors.

12. Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information attracted or derived from the Company's financial statements. The Audit Committee shall periodically review these procedures.
13. Review with the independent auditors (a) the proposed scope of their examination with emphasis on accounting and financial areas where the Audit Committee, the independent auditors or management believe special attention should be directed, (b) results of their audit, including a letter of recommendations for management (c) their evaluation of the adequacy of the system of internal controls, (d) significant areas of disagreement, if any, with management and (e) cooperation received from management in the conduct of the audit.
14. Review significant accounting, reporting, regulatory or industry developments affecting the Company.
15. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.
16. Discuss with management and the independent auditors any issues regarding significant business risks or exposure and assess the steps management has taken to minimize such risk.
17. Review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
18. Ascertain that significant matters identified as a result of interim review procedures have been brought to the attention of the Audit Committee.
19. Perform such other functions as assigned by law, the Company's bylaws or as the Board deems necessary and appropriate.
20. Review the Company's hiring policies regarding current and former partners and employees of the Company's current and former auditors.

## MAMMOTH RESOURCES CORP.

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### Schedule “B” Advance Notice Policy

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#### INTRODUCTION

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

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

It is the position of the Company that this Policy is in the best interests of the Company, its shareholders and other stakeholders. This policy will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

#### NOMINATIONS OF DIRECTORS

2. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors of the Company (the “**Board**”) may be made at any general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
  - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders pursuant to a “proposal” made in accordance with Division 7 of the *British Columbia Business Corporations Act* (the “**Act**”), or a requisition of the shareholders made in accordance with section 167 of the Act; or
  - (c) by any person (a “**Nominating Shareholder**”): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Policy.
3. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the Secretary of the Company at the principal executive offices of the Company.
4. To be timely, a Nominating Shareholder’s notice to the Secretary of the Company must be made:
  - (a) in the case of an general meeting of shareholders, not less than 36 nor more than 65 days prior to the date of the general meeting of shareholders; provided, however, that in the event that the general meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the general meeting was

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

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

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable general meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

- 5. To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Company must set forth:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the citizenship of such person; (D) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (E) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- (b) as to the Nominating Shareholder giving the notice, full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct the voting of any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

- 6. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

- 7. For purposes of this Policy:

- (a) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and
- (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms

made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

8. Notwithstanding any other provision of this Policy, notice given to the Secretary of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Company, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
9. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

#### **EFFECTIVE DATE**

This Policy was approved and adopted by the Board on May 13, 2013 (the “**Effective Date**”) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this Policy is not approved by ordinary resolution of shareholders of the Company present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this Policy shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

#### **GOVERNING LAW**

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

## MAMMOTH RESOURCES CORP.

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### Schedule "C" Stock Option Plan

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#### SECTION I - GENERAL PROVISIONS

##### 1.1 Interpretation

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

- i) **"Board"** means the Board of Directors of the Corporation;
- ii) **"Common Shares"** means the Common Shares of the Corporation;
- iii) **"Corporation"** means Mammoth Resources Corp.
- iv) **"Consultant"** means an individual (including an individual whose services are contracted through a personal holding corporation) retained by the Corporation or a subsidiary to provide consulting or management services on an ongoing basis;
- v) **"Eligible Person"** means, subject to all applicable laws, any employee, officer, director of the Corporation or any subsidiary of the Corporation, Consultant or Management Company Employees;
- vi) **"Exchange"** means the TSX Venture Exchange or any other stock exchange on which the Common Shares are listed and posted for trading;
- vii) **"Exercise Price"** means the exercise price of an Option, as determined pursuant to Section 2.4 herein;
- viii) **"Expiry Date"** means the last day on which an Option may be exercised;
- ix) **"Insider"** means in relation to the Corporation;
  - (a) a director or senior officer of the Corporation;
  - (b) a director or senior officer of a Company that is an Insider or subsidiary of the Corporation;  
or
  - (c) a person that beneficially owns or controls, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation;
- x) **"Investor Relations Activities"** means any activities, by or on behalf of the Corporation or a shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase and sale of securities of the Corporation, but does not include the activities excluded by policy 1.1 of the Exchange;
- xi) **"Management Company Employees"** means an individual employed by 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 and Investor Relation Activities;
- xii) **"Notice of Exercise"** means the notice of exercise to be signed and delivered to the Corporation by the Participant, the form of which is attached hereto as Appendix A;
- xiii) **"Option"** means an option to purchase Common Shares granted to an Eligible Person pursuant to the

terms of the Plan;

- xiv) "Participant" means Eligible Persons to whom Options have been granted;
- xv) "**Plan**" means this Stock Option Plan of the Corporation;
- xvi) "**Share Compensation Arrangement**" means any stock option, stock option plan, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- xvii) "**Termination Date**" means the date on which a Participant ceases to be an Eligible Person.

In this Plan, words imparting the singular number only shall include the plural and vice versa and words imparting the masculine shall include the feminine.

This Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Québec and the laws of Canada applicable therein.

## **1.2 Purpose**

The purpose of the Plan is to advance the interests of the Corporation by:

- 1.2.1 providing Eligible Persons with additional incentive;
- 1.2.2 encouraging stock ownership by such Eligible Persons;
- 1.2.3 increasing the proprietary interest of Eligible Persons in the success of the Corporation;
- 1.2.4 encouraging Eligible Persons to remain with the Corporation or its subsidiaries; and
- 1.2.5 attracting new employees and officers.

## **1.3 Administration**

- 1.3.1 The Plan shall be administered by the Board or a committee of the Board duly appointed for this purpose by the Board and consisting of not less than two (2) independent directors. If a committee is appointed for this purpose, all references herein to the Board will be deemed to be references to the Committee.
- 1.3.2 Subject to the limitations of the Plan, the Board shall have the authority to:
  - 1.3.2.1 grant options to purchase Common Shares to Eligible Persons;
  - 1.3.2.2 determine the terms, limitations, restrictions and conditions respecting such grants;
  - 1.3.2.3 interpret the Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the plan as it shall from time to time deem advisable; and
  - 1.3.2.4 make all other determinations and take all other actions in connection with the implementation and administration of the Plan.

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

## **1.4 Shares Reserved**

- 1.4.1 The maximum number of Common Shares which may be issued for all purposes under the Plan shall be equal to 10% of the issued and outstanding Common Shares of the Corporation at the time of grant of the options. The maximum number of Common Shares which may be reserved for issuance

to any one person under the Plan shall not exceed, on any twelve (12) month period, 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to such person under any other option to purchase Common Shares from treasury granted as a compensation or incentive mechanism.

Any Common Shares subject to an Option which for any reason is cancelled or terminated without having been exercised, shall again be available for grants under the Plan.

- 1.4.2 The maximum number of Common Shares which may be reserved for issuance to a Consultant shall not exceed, on any twelve (12) month period, 2% of the Common Shares outstanding at the time of grant (on a non-diluted basis);
- 1.4.3 The maximum number of Common Shares which may be reserved for issuance to all persons providing Investor Relations Activities shall not exceed, on any twelve (12) month period, 2% of the Common Shares outstanding at the time of the grant (on a non-diluted basis);
- 1.4.4 The grant of options to insiders, within a 12-month period, must not exceed 10% of the issued shares, unless disinterested shareholder approval is obtained.

### **1.5 Capital Reorganization**

If there is change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change, the Board shall make, subject to the prior approval of the Exchange, appropriate substitution or adjustment in:

- 1.5.1 the number or kind of shares or other securities reserved for issuance pursuant to the Plan; and
- 1.5.2 the number and kind of shares subject to unexercised Options theretofore granted and in the option price of such shares; provided however that no substitution or adjustment shall obligate the Corporation to issue or sell fractional shares.

If the Corporation is reorganized, amalgamated with another corporation, or consolidated, the Board shall make such provision for the protection of the rights of Participants as the Board in its discretion deems appropriate.

### **1.6 Additional Share Compensation Arrangements**

Nothing contained herein shall prevent the Board from adopting other or additional compensation arrangements, subject to any required approvals.

### **1.7 Amendment and termination**

- 1.7.1 The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable legislation and subject to any required approval. No such amendment, suspension or termination shall alter or impair any Options or any rights pursuant thereto granted previously to any Participant without the consent of such Participant. If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force at the time of the Plan shall continue in effect during such time as an Option or any rights pursuant thereto remain outstanding.
- 1.7.2 With the consent of the affected Participants, the Board may amend or modify any outstanding Option in any manner to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which an Option becomes exercisable, subject to any required approvals.



- 1.7.3 In the event the Board wishes to reduce the Exercise Price of Options granted to a Participant who is an insider of the Corporation at the time of the proposed price reduction, said price reduction will be subject to disinterested shareholder approval.

## **1.8 Compliance with legislation**

The Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell and deliver Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, rules and regulations, the rules and policies of the Exchange and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by any provision of the Plan or the grant of any Option hereunder to issue or sell Common Shares in violation of such laws, rules and regulations or any condition of such approvals. No Option shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would require regulatory approval of the Plan or of Common Shares under the securities laws of any foreign jurisdiction and any purported grant of any Option or issue or sale of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly approved for listing on the Exchange, upon official notice of issuance. Common Shares issued and sold to Participants pursuant to the exercise of Options may be subject to limitations on sale or resale under applicable securities laws.

## **SECTION II - OPTIONS**

### **2.1 Grants**

Subject to the provisions of the Plan, the Board shall have the authority to determine the limitations, restrictions and conditions, if any, in addition to those set forth in paragraph 2.4 hereof, applicable to the exercise of an Option, including without limitation, the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Common Shares acquired upon exercise of an Option may be forfeited. An Eligible Person may receive Options on more than one occasion under the Plan and may receive separate Options on any one occasion.

In the event Options are granted to employees, Consultants or Management Company Employees, the Corporation must declare and represent that the Eligible Person is a *bona fide* employee, Consultant or Management Company Employee, as the case may be.

### **2.2 Notice of Grant**

Following the grant of an Option by the Board, the President or any other member designated by the Board shall notify in writing the Participant (the “**Notice of Grant**”), such Notice of Grant shall include a copy of the Plan and a stock option agreement, the form of which is attached hereto as Schedule A.

### **2.3 Copy of the Plan**

Each Eligible Person shall be given, along with the Notice of Grant, two (2) copies of the Plan and shall, within a delay of ten (10) days following the receipt of the Notice of Grant, sign and return a copy of the Plan to the Board. The Board shall, as soon as possible, deliver two (2) copies of any modifications to the Plan to a Participant, which shall, within a delay of ten (10) days following the receipt of said notice, sign a copy of the modification and return it to the Board.

### **2.4 Option Price**

The Board shall establish the Exercise Price at the time each Option is granted, which shall in all cases be not less than:

- 2.4.1 the closing price of the Common Shares on the Exchange on the trading day immediately preceding

the date of the grant; or

- 2.4.2 in the event that there were no transactions, the average between the closing "Bid" and the closing "Ask" on the trading day immediately preceding the date of the grant.

The option price shall be subject to adjustment in accordance with the provisions of paragraph 1.5 hereinabove.

## **2.5 Exercise of Options**

- 2.5.1 Options granted must be exercised no later than five (5) years after the date of grant or such lesser period as determined by the Board or as the regulations made pursuant to the Plan may require.
- 2.5.2 Options shall not be transferable by the Participants otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by the Participant and after death only by the Participant's legal representatives.
- 2.5.3 Except as otherwise determined by the Board:
  - 2.5.3.1 if a Participant ceases to be an Eligible Person for any reason whatsoever other than death, each Option held by the Participant will cease to be exercisable on the Expiry Date or 90 days after the Termination Date whichever comes first. If any portion of an Option is not vested by the Termination Date, that portion of the Option may not under any circumstance be exercised by the Participant. Without limitation, and for greater certainty only, this provision will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest with the Participant;
  - 2.5.3.2 if a Participant dies, each Option held by the Participant at the time of his death will be exercisable on the Expiry Date or twelve (12) months after the Termination Date whichever comes first.
- 2.5.4 The Exercise Price of each Common Share purchased under an Option shall be paid in full in cash or by bank draft, certified cheque or wire transfer at the time of such exercise, and upon receipt of payment in full, but subject to the terms of the Plan, the number of Common Shares in respect of which the Option is exercised shall be duly issued as fully paid and non-assessable.
- 2.5.5 Subject to the provisions of the Plan, an option may be exercised from time to time by delivery to the Corporation at its registered office of the Notice of Exercise addressed to the Corporation specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the Exercise Price of the Common Shares to be purchased. Certificates for such Common Shares shall be issued and delivered to the Optionee within a reasonable period of time following the receipt of such notice and payment.
- 2.5.6 An Option issued to a Consultant performing Investor Relations Activities must vest in stages over twelve (12) months from the date of grant with no more than 25% of the Option vesting in any three (3) month period.
- 2.5.7 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Common Shares to a Participant pursuant to the exercise of an Option shall be subject to:
  - 2.5.7.1 completion of such registration or other qualification of such Common Shares or obtaining approval of such governmental or regulatory authority as counsel to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization,

issuance or sale thereof;

2.5.7.2 the admission of such Common Shares to listing on the Exchange; and

2.5.7.3 the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to safeguard against the violation of the laws of any jurisdiction.

In this connection, the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for issuance of such Common Shares in compliance with applicable laws and for the admission to listing of such Common Shares on the Exchange.

### **SECTION III - MISCELLANEOUS PROVISIONS**

- 3.1** The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Common Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Exercise Price of the Common Shares in respect of which the Option is being exercised).
- 3.2** Nothing in the Plan or any Option shall confer upon a Participant any right to continue in the employment of the Corporation or any subsidiary or affect in any way the right of the Corporation or any subsidiary to terminate his employment 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 subsidiary to extend the employment of any Participant beyond the time which he would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any subsidiary, 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 subsidiary.

## APPENDIX A

### STOCK OPTION AGREEMENT

**THIS AGREEMENT** made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**BETWEEN:** [NAME OF PARTICIPANT],

(hereinafter called the “**Optionee**”)

OF THE FIRST PART

**AND:** **Mammoth Resources Corp.**, having its office at 150 York Street,  
Suite 140, Toronto, Ontario, M5H3S5

(hereinafter called the “**Corporation**”)

OF THE SECOND PART

**WHEREAS** the directors of the Corporation have authorized the granting of options to purchase shares in the capital of the Corporation to the Optionee who is either a director, officer, *bona fide* employee or *bona fide* consultant of the Corporation;

**AND WHEREAS** this option is being granted to the Optionee under Corporation’s the stock option plan (the “**Plan**”);

**NOW THEREFORE THIS AGREEMENT WITNESSES:**

#### **DEFINITION**

1. In this Agreement the term “share” or “shares” means, as the case may be, one or more common shares without par value in the capital stock of the Corporation as constituted at the date of this Agreement.

#### **GRANTING OF OPTION**

2. The Corporation hereby irrevocably grants to the Optionee a non-transferable option to purchase \_\_\_\_\_ shares in the capital stock of the Corporation (hereinafter called the “**Option**”) at a price of \$\_\_\_\_\_ per share (the “**Option Price**”) on the terms and conditions hereinafter set forth. The Option shall also be subject to the terms and conditions of the Corporation’s Plan, a copy of which is delivered to the Optionee along with this Stock Option Agreement, in the form attached hereto as Appendix A.

#### **EXERCISE OF OPTION**

3. Subject to the provisions hereof, the Option, or any part thereof, may be exercised by the Optionee upon receipt of all necessary regulatory approvals on or before the close of business of the Corporation’s principal office on \_\_\_\_\_ (such time and date being hereinafter called the “**Expiry Time**”), by notice in writing (the “**Notice of Exercise**”) to the Corporation, in the form attached hereto as Appendix B, subject to the following vesting provisions:  
[Indicate vesting period, if any]

Any such notice given to the Corporation (an “**Exercise Notice**”) shall specify the number of shares with respect to which the Option is being exercised and shall be accompanied by a certified cheque drawn on a Canadian chartered bank in favour of the Corporation in full payment of the Option Price for the number of shares then being purchased.

#### **DELIVERY OF SHARE CERTIFICATE**

4. The Corporation shall, within a reasonable delay after receipt of the Notice of Exercise, deliver to the Optionee a share certificate representing the number of shares with respect to which the Option was exercised and issued as of the date of the Notice of Exercise.

A Notice of Exercise shall be deemed to have been given, if delivered, on the date of delivery, or if mailed, on the date of mailing. A mailed Notice of Exercise shall be sent by prepaid registered mail addressed to the Corporation at the following address: 150 York Street, Suite 410, Toronto, Ontario, M5H3S5

#### **OPTION ONLY**

5. Nothing herein contained or done pursuant hereto shall obligate the Optionee to purchase and/or pay for any shares of the Corporation, except those shares in respect of which the Optionee shall have exercised all or any part of the Option granted hereunder.
6. The Optionee shall have no rights whatsoever as a shareholder in respect of any of the shares optioned hereunder other than in respect of optioned shares for which the Optionee shall have exercised all or any part of the Option granted hereunder and which shall have been taken up and paid for in full.

#### **TSX VENTURE EXCHANGE**

7. This Agreement and the grant of the Option is subject to acceptance by the Exchange in accordance with the rules and policies of the Exchange and the Optionee hereby agrees to be bound by any modification of the terms and conditions of the Option as may be required by the Exchange. The Option may not be exercised until such acceptance has been received by the Corporation.

#### **TERMINATION OF OPTION**

8. The Option is not assignable or transferable and any portion of the Option which is not vested prior to the date upon which the Optionee ceases to be a director, officer, employee or consultant of the Corporation shall terminate immediately. Any unexercised but vested portion of the Option shall remain exercisable in accordance with the terms and conditions set forth in the Corporation’s Plan. Should such cessation be due to the death of the Optionee, the legal representatives of the Optionee shall have the right to exercise any unexercised but vested portion of the Option in accordance with the terms and conditions set forth in the Corporation’s Plan.

**TIME OF THE ESSENCE**

9. Time shall be of the essence of this Agreement.

**SUCCESSORS**

10. This Agreement shall enure to the benefit of and be binding upon the heirs, executors and administrators of the Optionee and the successors of the Corporation.

**IN WITNESS WHEREOF** the parties hereto have caused these presents to be executed as of the day and year first above written.

**EXECUTED and DELIVERED** by the Optionee    ))  
in the presence of:                                    )

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation

\_\_\_\_\_  
● (name of Optionee)

**MAMMOTH RESOURCES CORP.**

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

**APPENDIX B**

**NOTICE OF EXERCISE**

TO: **MAMMOTH RESOURCES CORP.** (the “**Corporation**”)  
c/o Board of Directors

FROM: \_\_\_\_\_ (the “**Optionee**”)

Terms which are not otherwise defined herein shall have the meanings ascribed to such terms in the Stock Option Agreement between the Optionee and the Corporation.

The Optionee hereby exercises the Option granted to the Optionee and hereby subscribes for \_\_\_\_\_ common shares of the Corporation (the “**Common Shares**”) in accordance with and subject to the provisions of the Stock Option Agreement and the Corporation’s Plan and herewith makes payment of the Option Price in full for the said number of Common Shares.

The certificate(s) representing such Common Shares is to be registered as follows:

\_\_\_\_\_  
[Registration]

\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[City, Province, Postal Code]

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
[Signature of Optionee]

\_\_\_\_\_  
[Print full name of Optionee]