



# NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS AND MANAGEMENT INFORMATION CIRCULAR



**MEETING DATE: JUNE 20, 2024 AT 10:00 A.M.**

1969 Upper Water Street, Suite 1300  
McInnes Cooper Tower - Purdy's Wharf  
Halifax, NS  
Canada B3J 3R7

May 17, 2024

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**Metropolitan Place  
99 Wyse Road, Suite 1480  
Dartmouth NS Canada B3A 4S5**

The annual general meeting ("**Meeting**") of the shareholders ("**Shareholders**") of Erdene Resource Development Corporation ("**Corporation**") will be held at 1969 Upper Water Street, Suite 1300, McInnes Cooper Tower – Purdy's Wharf, Halifax, Nova Scotia, on June 20, 2024 at 10:00 a.m. (Atlantic Time) for the following purposes:

- (i) to receive the audited financial statements of the Corporation for the year ended December 31, 2023, copies of which were mailed to Shareholders;
- (ii) to elect directors of the Corporation for the forthcoming year;
- (iii) to appoint the auditor of the Corporation for the forthcoming year and to authorize the directors to fix the auditor's remuneration; and
- (iv) to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

Details of the matters proposed to be put before the Meeting are set forth in the management information circular ("**Circular**") accompanying and forming part of this notice of meeting ("**Notice of Meeting**").

Only Shareholders of record as of the close of business on May 16, 2024 are entitled to receive notice of the Meeting and, except as noted in the attached Circular, to vote at the Meeting. To assure your representation at the Meeting as a **Registered Shareholder**, please complete, sign, date and return the enclosed proxy, whether or not you plan to personally attend. Sending your proxy will not prevent you from voting in person at the Meeting. All proxies completed by Registered Shareholders must be received by the Corporation's transfer agent, **Computershare Investor Services Inc., not later than June 18, 2024 at 10:00 a.m.** (Atlantic Time). A Registered Shareholder must return the completed proxy to Computershare Investor Services Inc., as follows:

- (a) by **mail** in the enclosed envelope;
- (b) by the **Internet** or **telephone** as described on the enclosed proxy; or
- (c) by **registered mail**, by **hand** or by **courier** to the attention of Computershare Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

**Non-Registered Shareholders** whose shares are registered in the name of an intermediary should carefully follow voting instructions provided by the intermediary. A more detailed description on returning proxies by Non-Registered Shareholders can be found on page 2 of the attached Circular.

If you receive more than one proxy or voting instruction form, as the case may be, for the Meeting, it is because your shares are registered in more than one name. To ensure that all of your shares are voted, you must sign and return all proxies and voting instruction forms that you receive.

DATED at Dartmouth, in the Halifax Regional Municipality, Nova Scotia, this 17<sup>th</sup> day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

*(signed) Peter C. Akerley*  
President and Chief Executive Officer

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**ERDENE RESOURCE DEVELOPMENT CORPORATION**  
**MANAGEMENT INFORMATION CIRCULAR**  
As at May 17, 2024, except as indicated

**INFORMATION REGARDING ORGANIZATION AND CONDUCT OF MEETING**

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY OR ON BEHALF OF THE MANAGEMENT OF ERDENE RESOURCE DEVELOPMENT CORPORATION ("Corporation" or "Erdene")** for use at the annual meeting of shareholders of the Corporation ("**Shareholders**") to be held at 1969 Upper Water Street, Suite 1300, McInnes Cooper Tower – Purdy's Wharf, Halifax, Nova Scotia, on June 20, 2024 at 10:00 a.m. (Atlantic Time), or at any adjournment thereof ("**Meeting**"), for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**").

**Solicitation of Proxies**

Solicitation of proxies will be primarily by mail but may also be by telephone or other means of communication by the directors, officers, employees or agents of the Corporation at nominal cost. All costs of solicitation will be paid by the Corporation. The Corporation will also pay the fees and costs of intermediaries for their services in transmitting proxy-related material in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**").

**Appointment and Revocation of Proxies**

**General**

Shareholders may be "**Registered Shareholders**" or "**Non-Registered Shareholders**". If common shares of the Corporation ("**Common Shares**") are registered in the name of an intermediary and not registered in the Shareholder's name, they are said to be owned by a "**Non-Registered Shareholder**". An intermediary is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates. The instructions provided below set forth the different procedures for voting Common Shares at the Meeting to be followed by Registered Shareholders and Non-Registered Shareholders.

The persons named in the enclosed instrument appointing proxy are officers and directors of the Corporation. **Each Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for him at the Meeting other than the persons designated in the enclosed form of proxy.** Shareholders who have given a proxy also have the right to revoke it insofar as it has not been exercised. The right to appoint an alternate proxyholder and the right to revoke a proxy may be exercised by following the procedures set out below under "**Registered Shareholders**" or "**Non-Registered Shareholders**", as applicable.

If any Shareholder receives more than one (1) proxy or voting instruction form, it is because that Shareholder's shares are registered in more than one form. In such cases, Shareholders should sign and submit all proxies or voting instruction forms received by them in accordance with the instructions provided.

**Registered Shareholders**

Registered Shareholders have two (2) methods by which they can vote their Common Shares at the Meeting, namely in person or by proxy. To assure representation at the Meeting, Registered Shareholders are encouraged to return the proxy included with this management information circular ("**Circular**"). Sending in a proxy will not prevent a Registered Shareholder from voting in person at the Meeting. The vote will be taken and counted at the Meeting. Registered Shareholders who do not plan to attend the Meeting or do not wish to vote in person can vote by proxy.

Proxies must be received by the Corporation's transfer agent, **Computershare Investor Services Inc.**, ("**Computershare**") not later than **June 18, 2024 at 10:00 a.m. (Atlantic Time)**. A Registered Shareholder must return the completed proxy to Computershare as follows:

- (a) by **mail** in the enclosed envelope; or
- (b) by the **Internet** or **telephone** as described on the enclosed proxy; or
- (c) by **registered mail**, by **hand** or by **courier** to the attention of Computershare Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

To exercise the right to appoint a person or company to attend and act for a Registered Shareholder at the Meeting, such Shareholder must strike out the names of the persons designated on the enclosed instrument appointing a proxy and insert the name of the alternate appointee in the blank space provided for that purpose.

To exercise the right to revoke a proxy, in addition to any other manner permitted by law, a Shareholder who has given a proxy may revoke it by instrument in writing, executed by the Shareholder or his attorney authorized in writing, or if the Shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited: (i) at the registered office of the Corporation, 1300-1969 Upper Water Street, McInnes Cooper Tower, Purdy's Wharf, PO Box 730, Halifax, Nova Scotia B3J 2V1, Attention: D. Suzan Frazer, at any time up to and including the last business day preceding the Meeting at which the proxy is to be used, or at any adjournment thereof; or (ii) with the chair of the Meeting on the date of the Meeting, or at any adjournment thereof, and upon either of such deposits the proxy is revoked.

### **Non-Registered Shareholders**

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as "NOBOs". Non-Registered Shareholders who have objected to their intermediary disclosing the ownership information about themselves to the Corporation are referred to as "OBOs".

In accordance with the requirements of NI 54-101, the Corporation is sending the Notice of Meeting, this Circular, a voting instruction form ("VIF") or a form of proxy, as applicable (collectively, the "Meeting Materials") directly to the NOBOs and, indirectly, through intermediaries, to the OBOs. The Corporation will also pay the fees and costs of intermediaries for their services in delivering Meeting Materials to OBOs in accordance with NI 54-101.

### **Meeting Materials Received by OBOs from Intermediaries**

The Corporation has distributed copies of the Meeting Materials to intermediaries for distribution to OBOs. Intermediaries are required to deliver these materials to all OBOs of the Corporation who have not waived their right to receive these materials, and to seek instructions as to how to vote Common Shares. Often, intermediaries will use a service company (such as Broadridge Financial Solutions, Inc.) to forward the Meeting Materials to OBOs.

OBOs who receive Meeting Materials will typically be given the ability to provide voting instructions in one of two ways:

- (a) Usually, an OBO will be given a VIF which must be completed and signed by the OBO in accordance with the instructions provided by the intermediary. In this case, the mechanisms described above for Registered Shareholders cannot be used and the instructions provided by the intermediary must be followed.
- (b) Occasionally, however, an OBO may be given a proxy that has already been signed by the intermediary. This form of proxy is restricted to the number of Common Shares owned by the OBO but is otherwise not completed. This form of proxy does not need to be signed by the OBO but must be completed by the OBO and returned to Computershare in the manner described above for Registered Shareholders.

The purpose of these procedures is to allow OBOs to direct the proxy voting of the Common Shares that they own but that are not registered in their name. Should an OBO who receives either a form of proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on their behalf), the OBO should strike out the person named in the form of proxy as the proxy holder and insert the OBOs (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions provided by the intermediary. **In either case, OBOs who received Meeting Materials from their intermediary should carefully follow the instructions provided by the intermediary.**

To exercise the right to revoke a proxy, an OBO who has completed a proxy (or a VIF, as applicable) should carefully follow the instructions provided by the intermediary.

Proxies returned by intermediaries as "non-votes" because the intermediary has not received instructions from the OBO with respect to the voting of certain shares or, under applicable stock exchange or other rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Common Shares represented by such "non-votes" will, however, be counted in determining whether there is a quorum.

## Meeting Materials Received by NOBOs from the Corporation

As permitted under NI 54-101, the Corporation has used a NOBO list to send the Meeting Materials directly to the NOBOs whose names appear on that list. If you are a NOBO and the Corporation's transfer agent, Computershare, has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained from the intermediary holding such shares on your behalf in accordance with applicable securities regulatory requirements.

As a result, any NOBO of the Corporation can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided. In addition, telephone voting and internet voting are available, as further described in the VIF. Instructions in respect of the procedure for telephone and internet voting can be found in the VIF. Computershare will tabulate the results of the VIFs received from the Corporation's NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs received by Computershare.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. The intermediary holding Common Shares on your behalf has appointed you as the proxyholder of such shares, and therefore you can provide your voting instructions by completing the proxy included with this Circular in the same way as a Registered Shareholder. Please refer to the information under the heading "*Registered Shareholders*" for a description of the procedure to return a proxy, your right to appoint another person or company to attend the meeting, and your right to revoke the proxy.

Although a Non-Registered Shareholder may not vote the Common Shares registered in the name of his or her broker directly at the Meeting, a Non-Registered Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

## Notice-and-Access

The Corporation is not sending the Meeting Materials to Registered Shareholders or Non-Registered Shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations*.

## Exercise of Proxies

Where a choice is specified, the Common Shares represented by proxy will be voted for, withheld from voting or voted against, as directed, on any poll or ballot that may be called. **Where no choice is specified, the proxy will confer discretionary authority and will be voted in favour of all matters referred to on the form of proxy. The proxy also confers discretionary authority to vote for, withhold from voting, or vote against amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters not specifically mentioned in the Notice of Meeting but which may properly come before the Meeting.**

Management has no present knowledge of any amendments or variations to matters identified in the Notice of Meeting or any business that will be presented at the Meeting other than that referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed instrument appointing proxy to vote in accordance with the recommendations of management of the Corporation.

## Voting Shares

The authorized capital of the Corporation consists of an unlimited number of Common Shares, of which 346,523,176 are issued and outstanding as of the date hereof.

The board of directors of the Corporation ("**Board of Directors**" or "**Board**") has fixed the record date for the Meeting as the close of business on **May 16, 2024** ("**Record Date**"). Only Shareholders as of the close of business on the Record Date will be entitled to vote at the Meeting, provided that a Shareholder that produces satisfactory evidence no later than 10 days before the Meeting that such Shareholder owns Common Shares and demands that such Shareholder's name be included on the list of Shareholders entitled to vote at the Meeting shall be entitled to vote at the Meeting. Shareholders entitled to vote shall have one vote each on a show of hands and one vote per Common Share on a poll.

Two or more persons present in person representing at least 5% of the Common Shares entitled to be voted at the Meeting will constitute a quorum at the Meeting.

### Principal Shareholders

Other than as set out below, as of the date hereof, to the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Corporation.

Shareholder	Number of Common Shares	Percentage of Common Shares
2176423 Ontario Ltd. (controlled by Eric Sprott)	61,425,488	17.7%

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

No person who has been a director or executive officer of the Corporation since January 1, 2023 nor any proposed nominee for election as a director, nor any associate of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities of the Corporation or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

### BUSINESS TO BE TRANSACTED AT THE MEETING

#### Presentation of Financial Statements

The financial statements of the Corporation, the auditor's report thereon and management's discussion and analysis for the financial year ended December 31, 2023, will be presented to the Shareholders at the Meeting.

#### Election of Directors

The Articles of Incorporation of the Corporation and applicable laws provide that the size of the Board of Directors must consist of not fewer than three (3) directors and not more than ten (10) directors to be elected annually. The Corporation's by-laws provide that the size of the Board of Directors is to be determined by the Board of Directors. The Board is presently comprised of eight (8) directors. The Board has determined that, in the forthcoming year, the business of the Corporation may be best conducted by a Board of Directors consisting of seven (7) directors and has fixed the size of the Board at seven (7) effective at the close of the Meeting. The Board is authorized to appoint up to one-third (1/3) of the number of directors elected at the previous annual general meeting of Shareholders.

Each of the persons named below is currently a director of the Corporation. All of the proposed nominees are, in the opinion of management, well qualified to direct the Corporation's activities for the ensuing year and they have all confirmed their willingness to serve as directors, if elected. The term of office of each director elected will be until the next annual meeting of the Shareholders or until the position is otherwise vacated.

**Unless the proxy specifically instructs the proxyholder to vote against, Common Shares represented by the proxies hereby solicited shall be voted for the election of the nominees whose names are set forth below.** Management does not contemplate that any of these proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by the properly executed proxies given in favour of nominees of management named in the enclosed form of proxy may be voted for another nominee at such proxyholder's discretion.

## Peter C. Akerley

President and Chief Executive Officer of the Corporation



Nova Scotia,  
Canada

Director since:  
February 25, 2003

Chief Executive  
Officer and  
Non-Independent  
Director

Mr. Akerley has over 35 years of experience in mineral exploration, corporate financing, project development and management of publicly listed resource companies. He is one of the founders and principals of Erdene and has held the position of President and Chief Executive Officer of the Corporation since March 2003. Mr. Akerley is a geologist who has worked extensively in foreign jurisdictions throughout his career, predominately in North and South America and Asia, with a focus on Mongolia, where he has led the technical team through the confirmation of a major molybdenum and copper deposit, the discovery and definition of the Altan Nar gold deposit and the discovery of the Bayan Khundii gold project. He has extensive experience in corporate M&A, joint venture arrangements and financings, leading the Corporation through more than 20 such business arrangements since taking the Corporation public in 2004. Mr. Akerley served on the Board and Special Committee of Temex Resources Corp. advising on the sale of the company to Lake Shore Gold Corp. and was previously chairman of the TSX-V listed Morien Resources Corp., where he was involved in the sale of the Donkin Coal and Black Point Aggregate projects, converting those interests into royalties. He also pioneered the company's involvement as the founding and lead sponsor of the very successful Catapult leadership program in Nova Scotia. Mr. Akerley has a BSc (1988) from Saint Mary's University in Halifax, specializing in geology, and completed the Institute of Corporate Directors Audit Committee Effectiveness course in December 2012.

### Board and Committee Attendance during 2023

Board of Directors	6 of 6	100%
Technical Committee	1 of 1	100%

### Other Public Board Membership during the Last Five Years

None

### Voting Results of the 2023 Annual Meeting of Shareholders

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,960,603	663,285	203,623,888
% of Votes	99.67%	0.33%	100.00%

### Ownership and Value At-Risk

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	2,856,849	1,976,760	4,833,609	\$1,957,611
May 18, 2023	3,006,849	1,776,760	4,783,609	\$1,626,427



**Dr. Anna G. Biolik**  
Corporate Director



British Columbia, Canada

Director since: June 14, 2016

Independent Director

Dr. Biolik has over 30 years of public and private sector experience and is one of the foremost Canadian experts on Central Asian business and diplomacy. From 2010 to 2012, Dr. Biolik occupied the position of Regional Director, Pacific Region, Foreign Affairs and International Trade Canada. In 2012, Dr. Biolik retired from the federal public service. From 2014 to 2020, she worked as independent consultant and Vice-President and Chief Executive Advisor of Allam Advisory Group, a global business strategy and commercial diplomacy consulting firm. She was Canada's first resident Ambassador in Mongolia where she opened a full-fledged Canadian Embassy in 2008. Dr. Biolik previously served as Ambassador of Canada to Kazakhstan, Kyrgyzstan and Tajikistan as well as Consul General of Canada in St. Petersburg, Russian Federation. She also served as Senior Advisor for international relations and parliamentary affairs to the Governor General of Canada, as European Marketing Manager for Canada Post, as Senior Manager at Investment Partnerships Canada and as Director of the International Business Opportunities Centre. Dr. Biolik has extensive expertise in international commerce and has worked closely with Canadian companies in emerging markets. From 2013 to 2019, Dr. Biolik served also as external member of the Program and Research Council at Royal Roads University in Victoria, BC. She holds a Ph.D. from the University of Montreal and is fluent in English, French, Russian and Polish.

**Board and Committee Attendance during 2023**

Board of Directors	6 of 6	100%
Corporate Governance and Disclosure Policy Committee	1 of 1	100%
Audit and Risk Management Committee	4 of 4	100%

**Other Public Board Membership during the Last Five Years**

None

**Voting Results of the 2023 Annual Meeting of Shareholders**

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,962,603	663,285	203,625,888
% of Votes	99.67%	0.33%	100.00%

**Ownership and Value At-Risk**

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	246,462	602,053	848,515	\$343,648
May 18, 2023	146,462	467,779	614,241	\$208,841

## T. Layton Croft

President, CEO and Director, Carolina Rush Corporation (TSX-V)



North Carolina,  
USA

Director since:  
July 2, 2015

Independent  
Director and  
Chair of the  
Board

Mr. Croft is an executive and entrepreneur with 30 years of global experience across increasingly senior roles, from non-profit to mid-tier to mega-cap to micro-cap. He has expertise building and leading successful enterprises, project delivery, complex stakeholder management, public-private partnership, strategic communications, corporate governance and ESG. His deep Mongolia expertise dates back to 1994, when his three years of service as a U.S. Peace Corps Volunteer included two years living and working in Bayankhongor Province in southwest Mongolia. He lived and worked full-time in Mongolia for 15 years, and also lived and worked in South Korea, Indonesia, Hong Kong and Singapore. He has held executive and senior advisory roles with Oyu Tolgoi LLC, Ivanhoe Mines, Rio Tinto, Peabody Energy and Duke Energy. He has been an independent director of Erdene since June 2015, and chairman of the board since June 2019. He is a member of the Erdene's Audit and Risk Management Committee and Corporate Governance and Disclosure Policy Committee. Since April 2017, Layton has been President, CEO and Director of Carolina Rush Corporation (formerly Pancontinental Resources Corp.), a Canadian junior mining company (TSXV: RUSH) focused on exploring the Southeast USA, home of North America's first gold rush. Since January 2022, Layton has been an independent director of Voltage Metals Corp., a Canadian junior mining company (CSE: VOLT) exploring for nickel in Ontario. Layton holds a BA from the University of North Carolina at Chapel Hill, an MA from the School for International Training in Vermont, and an MA from the Fletcher School of Law and Diplomacy at Tufts University in Massachusetts. He lives in Charlotte, North Carolina.

### Board and Committee Attendance during 2023

Board of Directors	6 of 6	100%
Corporate Governance and Disclosure Policy Committee	1 of 1	100%
Audit and Risk Management Committee	4 of 4	100%
Compensation Committee	1 of 1	100%

### Other Public Board Membership during the Last Five Years

Carolina Rush Corporation (TSX-V)

Voltage Metals Corporation (CSE)

### Voting Results of the 2023 Annual Meeting of Shareholders

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,962,603	663,285	203,625,888
% of Votes	99.67%	0.33%	100.00%

### Ownership and Value At-Risk

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	1,228,478	575,855	1,804,333	\$730,754
May 18, 2023	1,228,478	471,832	1,700,310	\$578,105

## Kenneth W. MacDonald

CEO and Chair, Fisher Transport Limited



Mr. MacDonald was appointed director of the Board in June 2019. Until May 2019, Mr. MacDonald served as Executive Vice President of Erdene, a position he held from 2016. Additionally, Mr. MacDonald served as Chief Financial Officer of Erdene from March 2003 to May 2019. From September 1992, Mr. MacDonald has also been the President and owner of Fisher Transport Limited, a specialized transport company, where he currently serves as CEO and Chair. In addition, he was the Vice President of Finance for Kao clay Resources Inc. from 1996 to June 2006. Prior to 1985, Mr. MacDonald, a chartered professional accountant, was a senior manager with one of Canada's major accounting firms. From 1985 to September 1992, he was vice president finance with public and private corporations in the resource sector. Mr. MacDonald graduated from St. Mary's University in 1977 with a BCom and received the Chartered Professional Accountant designation in 1980.

Nova Scotia,  
Canada

Director since:  
June 20, 2019

Independent  
Director

### Board and Committee Attendance during 2023

Board of Directors	4 of 6	67%
Compensation Committee	1 of 1	100%
Audit and Risk Management Committee	4 of 4	100%

### Other Public Board Membership during the Last Five Years

None

### Voting Results of the 2023 Annual Meeting of Shareholders

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,362,603	1,263,285	203,625,888
% of Votes	99.38%	0.62%	100.00%

### Ownership and Value At-Risk

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	2,102,781	365,334	2,468,115	\$999,586
May 18, 2023	2,102,781	278,930	2,381,711	\$809,781

## Cameron McRae

Executive Director of Tarva Investment & Advisory

Chairman of Kincora Copper Limited



New South  
Wales, Australia

Director since:  
March 14, 2018

Independent  
Director

Mr. McRae was appointed director of the Board in March 2018. Mr. McRae is a seasoned CEO, having led mining organizations through the full mining development cycle in four countries and across three continents. Cameron served a 28-year career with Rio Tinto, and in Mongolia was President of Oyu Tolgoi LLC and Rio Tinto's country director for Mongolia. In that role he led the construction and start-up of the US\$6 billion Oyu Tolgoi copper-gold mine, ahead of schedule, which at peak of construction had over 15,000 people employed on site. Cameron has led successful greenfield and brownfield construction projects, overarching business transformations and business improvement projects, and at the corporate level has deep commercial/M&A experience. Prior to Oyu Tolgoi, Cameron was CEO of Richards Bay Minerals in South Africa (2008-10), Managing Director of Murowa Diamonds in Zimbabwe (2006-07) and Project Director for the Hail Creek Coking Coal Expansion project in Australia. Prior to 2004, Cameron held commercial and project leadership roles, both at Corporate and Business Unit levels. In 1995, he was a key team member responsible for the A\$29 billion merger of CRA and RTZ into the dual listed Rio Tinto (which was the world's largest merger at the time). Mr. McRae is the co-founder of DTP Partners, a broad-based consultancy firm and is Chairman of Kincora Copper Limited (KCC on the TSX-V and ASX). Cameron is an advisor to the Business Council of Mongolia (previously Vice Chairman), is a trustee of the Arts Council of Mongolia. Cameron was schooled in Australia and Africa and holds a commercial degree and an MBA (Monash Mount Eliza, 1991).

### Board and Committee Attendance during 2023

Board of Directors	6 of 6	100%
Technical Committee	1 of 1	100%

### Other Public Board Membership during the Last Five Years

Kincora Copper Limited (TSX-V and ASX)

### Voting Results of the 2023 Annual Meeting of Shareholders

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,962,603	663,285	203,625,888
% of Votes	99.67%	0.33%	100.00%

### Ownership and Value At-Risk

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	744,778	280,811	1,025,589	\$415,363
May 18, 2023	744,778	211,462	956,240	\$325,121

**David V. Mosher**  
Corporate Director



Nova Scotia,  
Canada

Director since:  
June 14, 2016

Independent  
Director

Mr. Mosher is a mining executive with over thirty-five years of international experience. From 1992 to 2008, David was President and CEO of High River Gold Mines Ltd., a TSX listed company involved in the exploration, development and production of gold in Canada, Africa and Russia. In that role, he negotiated the acquisition of two producing Russian gold mines, completed mining investment agreements with the government of Burkina Faso, raised over \$300 million to support the company's growth, and supervised the development of two open pit gold mines (the Taparko gold mine in Burkina Faso and the Berezitovy gold mine in Russia). He has served on many boards including Cambior Inc. and earlier in his career was project manager for Pancontinental Mining Limited, where he and his team discovered and outlined the largest uranium deposit in the world at that time (the Jabiluka deposits in northern Australia). Over the past decade, Mr. Mosher has been active in the restructuring and refinancing of a number of junior resource companies, both private and public, and currently serves as a director of several mining and exploration companies, including Carolina Rush Corporation (TSX-V) and Pelangio Exploration Inc. (TSX-V). Mr. Mosher received his B.Sc. degree in geology from Acadia University.

**Board and Committee Attendance during 2023**

Board of Directors	6 of 6	100%
Compensation Committee	1 of 1	100%

**Other Public Board Membership during the Last Five Years**

Harvest Gold Corporation (TSX-V)  
Carolina Rush Corporation (TSX-V)  
Pelangio Exploration Inc. (TSX-V)  
Roscan Minerals Corporation (NEX)

**Voting Results of the 2023 Annual Meeting of Shareholders**

	Votes For	Votes Withheld	Total Votes Cast
<b># of Votes</b>	202,962,603	663,285	203,625,888
<b>% of Votes</b>	99.67%	0.33%	100.00%

**Ownership and Value At-Risk**

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
<b>May 16, 2024</b>	852,067	627,287	1,479,354	\$599,138
<b>May 18, 2023</b>	812,067	500,657	1,312,724	\$446,326

## Hedley Widdup

Investment Manager of Lion Selection



Melbourne,  
Australia

Director since:  
September 30,  
2019

Independent  
Director

Mr. Widdup is a geologist, with almost 21 years experience in mining, geology and mining investment. Hedley was part of the mine geology teams at the Mt Keith Nickel Mine (WA), Olympic Dam Copper-Uranium Mine (SA), Black Star Open cut zinc project, which is a part of the Mt Isa Mining complex (Qld), and St Ives Gold Mine (WA). He joined the investment team at Lion Selection Group in 2007 and has worked across the investment and investor relations functions. Lion Selection Group is a development-oriented mining fund based in Melbourne, Australia, and has held a shareholding in Erdene for a number of years. Hedley was educated in Australia, receiving a Degree in Geology with first class honours from the University of Melbourne (2000) before completing a Graduate Diploma in Applied Finance (2011). He is a shareholder and executive director of Lion Manager Pty Ltd the entity which provides investment services to Lion Selection Group. Mr. Widdup also serves as a director of Plutonic Limited, an unlisted company located in Australia.

### Board and Committee Attendance during 2023

Board of Directors	6 of 6	100%
Technical Committee	1 of 1	100%

### Other Public Board Membership during the Last Five Years

EganStreet Resources (ASX)  
Kasbah Resources Limited (ASX)

### Voting Results of the 2023 Annual Meeting of Shareholders

	Votes For	Votes Withheld	Total Votes Cast
# of Votes	202,844,603	781,285	203,625,888
% of Votes	99.62%	0.38%	100.00%

### Ownership and Value At-Risk

As at	Common Shares	Deferred Share Units	Total Shares/Units	Total Value At-Risk
May 16, 2024	Nil	229,368	229,368	\$92,894
May 18, 2023	Nil	160,019	160,019	\$54,406

Information relating to the Directors Nominated for Election:

1. The information as to the number of Common Shares beneficially owned as at May 16, 2024, and May 18, 2023, not being within the knowledge of Erdene, has been furnished by the respective nominees.
2. The value at-risk is presented on the basis of market value. The market value of Common Shares and DSUs is based on a value of \$0.405 with respect to Common Shares and DSUs held at May 16, 2024, and \$0.34 in respect of Common Shares and DSUs held at May 18, 2023, being the closing price of the Common Shares on the Toronto Stock Exchange ("TSX") on such dates.
3. Deferred Share Units reported in the foregoing tables include Deferred Share Units issued under the Omnibus Equity Incentive Plan, as well as Deferred Stock Units issued under the legacy Deferred Stock Unit Plan as these instruments are economically equivalent.

## Majority Voting Policy

The Corporation has adopted a majority voting policy (the "**Policy**"). The Policy requires that any nominee for director who receives a greater number of votes "withheld" than "for" his or her election shall promptly tender their resignation to the chair of the Board of Directors following the meeting. The Policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected.

Due to amendments to the *Canada Business Corporations Act* which came into effect on August 31, 2022, votes will be cast either "for" or "against" the election of directors at the Meeting and in future uncontested elections. As a result, the Policy will no longer be applicable to the election of directors of the Corporation.

## Corporate Cease Trade Orders and Bankruptcies

Except as discussed below, no proposed director of the Corporation is, or within ten years prior to the date of this Circular has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days, that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days, that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

On June 6, 2023, the Ontario Securities and Commission (the "OSC") issued a cease trade order against Voltage Metals Corporation ("Voltage") for failure to file audited financial statements and management's discussion and analysis for the year ended December 31, 2022, interim financial statements and management's discussion and analysis for the period ended March 31, 2023, and associated certifications of the foregoing filings as required by National Instrument 52-109. During all relevant times, Mr. Croft was a director of Voltage. Voltage subsequently filed such filings and the cease trade order was revoked effective September 5, 2023.

No proposed director of the Corporation:

- (i) is, as at the date of this Circular, or within ten years prior to the date of this Circular has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within ten years prior to the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## Penalties and Sanctions

No proposed director of the Corporation has been subject to: (i) penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## Appointment of Auditor

KPMG LLP, Chartered Professional Accountants, has been the auditor of the Corporation since its incorporation. Management recommends the re-appointment of KPMG LLP. At the Meeting, Shareholders will be asked to vote for the appointment of KPMG LLP as auditor of the Corporation until the next annual meeting of the Shareholders, at a remuneration to be fixed by the Board.

**It is intended that all proxies received will be voted in favour of the appointment of KPMG LLP as auditor of the Corporation unless a proxy contains instructions to withhold the same from voting. Greater than 50% of the votes of Shareholders present in person or by proxy are required to approve the appointment of KPMG LLP as auditor of the Corporation.**



## EXECUTIVE COMPENSATION

### Compensation Discussion & Analysis

#### Named Executive Officers

Applicable securities regulations require that the Corporation give details of the compensation paid to the Corporation's "named executive officers" who are defined as follows:

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

As at December 31, 2023, the end of the most recently completed financial year of the Corporation, the named executive officers of the Corporation were the four most highly compensated individuals, namely, the President and Chief Executive Officer ("**CEO**"), the Vice-President and Chief Financial Officer ("**CFO**"), as well as the Chief Development Officer, and the Vice-President Exploration (collectively, the "**Named Management**").

#### Role of Compensation Committee

The compensation committee of the Corporation ("**Compensation Committee**") has been assigned the responsibility of reviewing the remuneration package for the CEO and for senior executives and to recommend changes, if any, to the Board. In making its recommendations, the Compensation Committee considers each individual's performance and remuneration and incentives paid to senior executives of comparable companies. The Compensation Committee also seeks the views of the CEO when reviewing compensation for other executive officers because of his day-to-day involvement with these officers. It is also the responsibility of the Compensation Committee to review any proposals concerning the Corporation's Omnibus Equity Incentive plan (the "**Omnibus Plan**") including grant proposals for approval by the Board.

The Compensation Committee currently consists of Kenneth MacDonald (Chair), David Mosher and Hedley Widdup, all of whom are independent within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*. All members of the Compensation Committee have more than 25 years of experience in their respective field, and, during that time, each has been closely involved with implementing and reviewing compensation policies at their respective organizations. Each of the Compensation Committee members have held senior roles with public and/or private companies directly related to the mining industry.

#### Comparative Market Data

When making compensation recommendations in relation to the remuneration of the Named Management, the Compensation Committee looks at the compensation of the Named Management relative to the compensation paid to similarly situated executives at companies that the Compensation Committee considers to be peers of the Corporation. A benchmark group (the "Peer Group") is determined by screening and selecting publicly traded companies in the same general industry (exploration, development and construction) and on the basis of comparable size of operations, geographic focus and market capitalization.

In 2021 the Corporations's Peer Group was comprised of Ascot Resources Ltd., Bluestone Resources Inc., Entrée Resources Ltd., Gold Standard Ventures Corp., Kincora Copper Ltd., Liberty Gold Corp., Marathon Gold Corp., Orezone Gold Corp., Pure Gold Mining Inc., Sabina Gold & Silver Corp., Steppe Gold Ltd., Wallbridge Mining Company Ltd and Xanadu Mines Ltd. The 2022 Peer Group consisted of Ascot Resources Ltd., Bluestone Resources Inc., Entrée Resources Ltd., Gold Standard Ventures Corp., Kincora Copper Ltd., Liberty Gold Corp., Marathon Gold Corp., Orezone Gold Corp., Pure Gold Mining Inc., Sabina Gold & Silver Corp., Steppe Gold Ltd., Wallbridge Mining Company Ltd and Xanadu Mines Ltd. The 2023 Peer Group consisted of Ascot Resources Ltd., Bluestone Resources Inc., Entrée Resources Ltd., GoGold Resources Inc., Integra Resources Corp., Kincora Copper Ltd., Liberty Gold

Corp., Marathon Gold Corp., Signal Gold Inc., Steppe Gold Ltd., Treasury Metals Inc., Wallbridge Mining Company Ltd and Xanadu Mines Ltd.

Although backward-looking peer benchmarking is, and will continue to be, a determining factor in total compensation, other factors such as market conditions and availability of financing are also taken into consideration.

### Currency

All references to "\$" or "dollars" set forth in this Circular are in Canadian dollars, except where otherwise indicated.

### Objectives of the Compensation Program

Erdene's executive compensation program is designed to attract, retain and motivate top executive talent to achieve the Corporation's business goals and objectives with appropriate risk-taking while acting ethically. The primary goals of the Corporation's compensation program are to:

- (i) provide total compensation that is competitive in the context of Erdene's peers and the mineral exploration industry in general;
- (ii) attract, retain and motivate executives who are critical to the success and financial performance of the Corporation;
- (iii) reward achievements with a variable pay component, based on the attainment of individual and the Corporation's operational and financial objectives;
- (iv) align management's interests with the long-term interests of Shareholders;
- (v) ensure that the total compensation package takes into account the Corporation's present stage of development and its available financial resources.

### Elements of Executive Compensation Program

The Corporation's executive compensation program is structured with a clear focus on pay-for-performance, aligned with the interests of Shareholders. Erdene's compensation is comprised of five components: (i) base salary; (ii) annual cash bonuses; (iii) stock options and other share-based compensation; (iv) benefits; and (v) perquisites. The elements of compensation are described in more detail below.

Components	Element	Form	Period	Program Objectives and Details
<b>FIXED</b>	Base Salary	Cash	Annual	Reflects the executive's level of responsibility, experience, market competitiveness, and the executive's overall performance.
	Short-term Incentive	Cash	Annual	Linked to the achievement of predetermined financial and operational performance objectives.
<b>VARIABLE</b>	Long-term Incentive	Share-based awards, including options and deferred share units	Longer-term	Encourages and rewards executives for increasing total shareholder value.
	Benefits	Corporate benefits plan	Annual or Longer-Term	Provide health, dental, disability and insurance coverage.
	Perquisites	Cash	Annual	A limited number of personal benefits, including professional fees and hardship allowances.

The Board, on the recommendation of the Compensation Committee, considers each of these components of compensation when assessing the total compensation package for Named Management. The Board relies heavily on the recommendations of the Compensation Committee and any independent consultants that it may retain from time to time for setting salary, bonus and share based compensation levels, to ensure the Corporation's compensation levels and practices remain competitive and appropriate.

## Base Salary

Salaries of the Named Management are based on a comparison with competitive positions, taking into account the size and sector, as well as the level of activity, of the group. Individual circumstances, including the scope and geographic location of the Named Management's position, the Named Management's relevant competencies or experience and retention risk, are also considered. The financial performance of the Corporation is also a factor as is the individual performance of the Named Management. The base salary for each of the Named Management is reviewed by the Compensation Committee each year in consultation with the CEO. Base salaries may be adjusted based on any change in their role within the Corporation, performance of the individual, performance of the Corporation or general changes in market salary levels. Named Management can elect to receive all or a portion of their salary in the form of deferred share units (see the discussion below under "*Share-based Awards*"). Named Management who elect to receive DSU in lieu of salary receive a share-based award of additional DSUs equal to 20% of such elected amount.

## Performance Bonus

In 2017, the Board adopted a bonus plan, effective for the 2016 financial year, for the CEO, CFO and any executive officer whose contract of employment specifies that their compensation will be reviewed by the Board (each, a "**Senior Executive**"). Currently, there are two Senior Executives, the CEO and the CFO covered by this plan. Under the plan, each Senior Executive is responsible for the preparation and submission of their individual objectives to the CEO early in the first quarter of the financial year. The CEO initially reviews the goals of each Senior Executive other than the CEO and the Chair of the Compensation Committee reviews the goals of the CEO. The Senior Executives' goals are to be submitted to the Compensation Committee during the first quarter for review and, if appropriate, a recommendation is submitted to the Board for final approval.

Individual performance in relation to these goals is used to calculate each Senior Executive's bonus amount under the Corporation's bonus plan, with 75% of the Senior Executive's calculated bonus amount based on success in achieving these goals. The remaining 25% of each Senior Executive's performance bonus amount is tied to the Common Share price performance relative to the S&P/TSX Global Gold Index. The maximum bonus amounts, weighting of the performance objectives, and goal categories for the Senior Executives are set out below.

### Erdene Senior Executive Bonus Plan Annual Performance Evaluation Criteria

Name and Position	General Performance Objectives			Individual Performance Weighting								% Totals
	Maximum Bonus Percentage of Annual Salary	Share Price Weighting	Individual Performance Weighting	Team Development	Finance, acquisition or M&A Deal Development and Execution	Operations, Permitting, Regulatory, Government Affairs	Exploration successes and Resource/ Reserve	Budgets, Timelines, Regulatory Compliance and financial Control	Internal Communications	Health, Safety, Environment and Community		
<b>Chief Executive Officer</b>	60%	25%	75%	20%	20%	15%	20%	5%	15%	5%	100%	
<b>VP and CFO</b>	40%	25%	75%	20%	30%	10%	0%	20%	15%	5%	100%	

The CEO will review the performance goals and assess each Senior Executive's performance (other than his own performance). Based upon the results of these reviews, the CEO will recommend to the Compensation Committee performance ratings as well as performance bonus payments for the Senior Executives, other than himself. The Chair of the Compensation Committee will assess the performance of the CEO and will make a recommendation on performance rating and bonus payment for the CEO to the Compensation Committee.

In calculating Senior Executives' bonus entitlement under the Common Share price performance component, the percentage change in the daily average market capitalization of the Corporation from the previous year will be compared to the percentage change in the daily average balance of the S&P/TSX Global Gold Index from the previous year. If they are equal to each other, the Senior Executive will receive one-half of the 25%. This amount will increase

by 1% for each five percentage points that the percentage change in the daily average market capitalization of the Corporation exceeds the percentage change in the daily average balance of the S&P/TSX Global Gold Index until the maximum of 25% is reached. The S&P/TSX Global Gold Index was chosen as a benchmark performance measure as it consists of a broad-based representation of the performance of mining companies with diversified assets.

Ultimately, any payment under the bonus plan is at the Board's discretion. Before approving the payment of a bonus, the Board will consider general market and industry conditions, including the recommendations and independent compensation analyses performed from time to time by independent consultants, as well as the Corporation's financial position. In addition to the Senior Executive bonus plan, the Compensation Committee will continue to consider and, where appropriate, recommend the payment of discretionary cash bonuses to Named Management.

In 2021, the CEO and the CFO received bonus entitlements of approximately 52% and 24% of their annual base salary, respectively. In 2022, the CEO and the CFO received bonus entitlements of approximately 55% and 37% of their annual base salary, respectively. In 2023, the CEO and the CFO received bonus entitlements of approximately 52% and 34% of their annual base salary, respectively, reflecting the attainment of the majority of the individual performance goals. See the notes to the table under the heading "*Executive Compensation – Summary Compensation Table*".

### **Share-based Awards**

Long-term incentives for directors, officers, employees and consultants of the Corporation are currently provided through awards granted under the Corporation's omnibus equity incentive plan (the "Omnibus Plan") which was approved by Shareholders at the Corporation's annual and special meeting of Shareholders held on June 22, 2023. The Omnibus Plan replaced the Corporation's amended and restated incentive stock option plan (the "Option Plan") and the Corporation's deferred stock unit plan (the "DSU Plan", and together with the Option Plan, collectively, the "Legacy Plans"). The Legacy Plans remain in effect only in respect of outstanding awards granted pursuant to the Legacy Plans and once the existing awards granted under the Legacy Plans are exercised or terminated, the Legacy Plans will terminate. See "*Securities Authorized for Issuance under Equity Compensation Plans*" for more information on the Omnibus Plan and the Legacy Plans.

Share-based awards granted pursuant to the Omnibus Plan and Legacy Plans, are generally awarded to executives, including the Named Executives, at the commencement of employment and periodically thereafter. At the time of commencement of employment, share-based awards generally reflect industry comparables with companies at similar levels of development. During employment, share-based awards are granted to reward Named Executives for their current performance, expected future performance and value to the Corporation, and taking into account that number of awards already held by the Named Executive and others.

All grants of share-based awards to the Named Executives are reviewed and approved by the Compensation Committee and the Board. The process is initiated by management recommending a grant of awards to the Compensation Committee. The Compensation Committee reviews these recommendations and, if they are approved, recommends them to the Board. In evaluating grants to the Named Executives, the Compensation Committee and the Board evaluate a number of factors including, but not limited to: (i) the number of awards already held by such Named Executive; (ii) a fair balance between the number of awards held by the Named Executive concerned and the other executives of the Corporation, in light of their responsibilities and objectives; and (iii) the value of the awards as a component in the Named Executive's overall compensation package.

### **Benefits**

The CEO, CFO and other Named Management participate in a corporate benefits program. The benefits program includes medical, dental and life insurance, in line with organizations of a similar size, and are not a material portion of the overall compensation of the Named Management.

### **Perquisites**

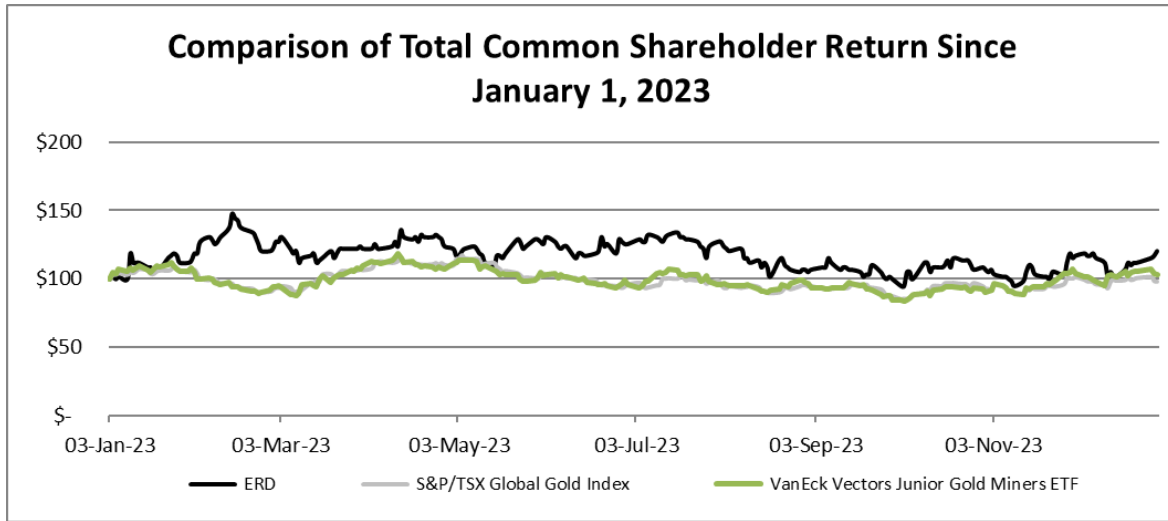
The Corporation provides a limited number of perquisites to its Named Management which vary by title but do not account for a material portion of the overall compensation of the Named Management, with the exception of Mr. Jon Lyons, Vice-President & Chief Development Officer, who receives benefits related to his residency in Mongolia. For example, the Corporation offers paid parking and memberships in industry-related organizations. The Corporation awards these perquisites as tools for attraction, retention and motivation.

### Other Factors for Understanding Compensation

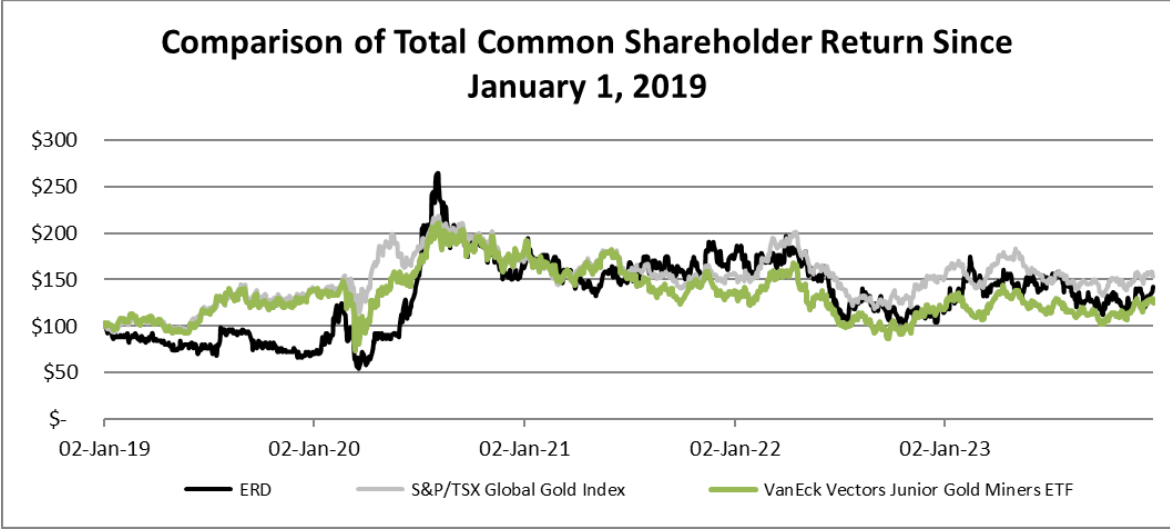
Except for the anti-hedging policy contained in the Omnibus Plan, the Corporation does not currently have a policy prohibiting Named Management or directors of the Corporation from purchasing financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars, 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 Named Management or director. However, none of the Named Management or directors of the Corporation has purchased such financial instruments.

### Performance Graphs

The following graphs present the Corporation’s cumulative total Shareholder return for the past one-year and five-year periods, respectively, in comparison to the cumulative total Shareholders returns generated by the same investment in the most comparable indices – the S&P/TSX Global Gold Index and the VanEck Vectors Junior Gold Miners ETF.



The Common Shares appreciated 20% from January 1, 2023 to December 31, 2023. In comparison, the value of the S&P/TSX Global Gold Index decreased by 2% and the VanEck Vectors Junior Gold Miners ETF increased by 3% over the same period.



On average, the Common Shares appreciated 8% per year from January 1, 2019 to December 31, 2023, for total appreciation of 42%. In comparison, the value of the S&P/TSX Global Gold Index increased by 11% per year over the same period, for a total increase of 53%. The VanEck Vectors Junior Gold Miners ETF increased by 5% per year over the same period, for a total increase of 25%.

As noted above, a number of factors and performance elements are taken into account when determining compensation for the Named Management. Although total cumulative Shareholder return is one performance measure that is reviewed in determining compensation, and Common Share price performance as compared to the S&P/TSX Global Gold Index accounts for 25% of each Senior Executive's calculated bonus amount, there are many other factors taken into account in executive compensation deliberations and bonus calculations. As a result, a direct correlation between total cumulative Shareholder return over a given period and executive compensation levels is not anticipated.

**Assessment of Risks Associated with the Corporation's Compensation Policies and Practices**

The Compensation Committee has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The Compensation Committee has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.

The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs which have generally been implemented by or at the direction of the Compensation Committee.

## Summary Compensation Table

The following table details Named Management compensation for the years ended December 31, 2021, 2022 and 2023.

Name and principal position	Year	Salary <sup>(1)</sup> (\$)	Option-based awards <sup>(2)</sup> (\$)	Share-based awards <sup>(3)</sup> (\$)	Annual incentive plans <sup>(4)</sup> (\$)	All other compensation <sup>(5)</sup> (\$)	Total compensation (\$)
Peter C. Akerley, President & CEO <sup>(7)</sup>	2023	404,692	186,000	62,000	193,149	Nil	845,841
	2022	357,490	83,500	3,471	197,835	Nil	642,296
	2021	331,301	78,000	6,626	175,000	Nil	590,927
Robert L. Jenkins, Vice-President & CFO	2023	242,748	74,400	42,055	77,238	Nil	436,441
	2022	214,435	50,100	8,577	79,115	Nil	352,227
	2021	198,725	48,750	27,033	50,000	Nil	324,478
Michael X. Gillis, Vice-President Exploration	2023	224,755	46,500	27,584	30,649	Nil	329,488
	2022	198,540	26,200	25,000	25,000	Nil	274,740
	2021	188,168	29,000	25,000	25,000	Nil	267,168
Jon M.L. Lyons <sup>(6)</sup> , Vice-President & CDO	2023	292,879	55,800	35,769	39,744	104,287	528,479
	2022	264,961	32,750	35,000	35,000	110,548	478,259
	2021	208,275	36,250	35,000	35,000	84,803	399,328

Notes:

- (1) Salary includes the value of DSUs received at the election of the Named Management in lieu of cash compensation. DSUs are valued at the five-day volume weighted average price ("VWAP") of the common shares at the grant date. In 2021, Mr. Akerley and Mr. Jenkins elected to receive DSUs in lieu of cash compensation with a value of \$33,130 and \$35,014, respectively. In 2022, Mr. Akerley and Mr. Jenkins elected to receive DSUs in lieu of cash compensation with a value of \$17,354 and \$42,887, respectively. In 2023, Mr. Akerley and Mr. Jenkins elected to receive DSUs in lieu of cash compensation with a value of Nil and \$24,275, respectively.
- (2) This column shows the total compensation value of stock options granted to the Named Management in 2021, 2022 and 2023. Option based awards are valued using the Black-Scholes method in accordance with the Corporation's accounting policies and using the following key assumptions. For 2021: No dividends are to be paid, risk-free interest rate of 0.7%, expected volatility of 63%, and an expected life of 3.6 years. For 2022: No dividends are to be paid, risk-free interest rate of 3.0%, expected volatility of 62%, and an expected life of 3.6 years. For 2023: No dividends are to be paid, risk-free interest rate of 3.2%, expected volatility of 55%, and an expected life of 4.4 years. The average fair value of the options issued, on the date granted, was \$0.17 per option in 2021, \$0.15 per option in 2022 and \$0.19 per option in 2023. 100,000 options were exercised by named management in 2021, 0 options were exercised in 2022 and 150,000 options were exercised in 2023.
- (3) Excludes salary earned by Named Management who elect to take DSUs in lieu of cash but includes the share-based award issued for making such an election. In 2021, 2022 and 2023, the Compensation Committee made discretionary awards of DSUs pursuant to the DSU Plan and in 2023 pursuant to the Omnibus Plan.
- (4) Cash bonuses were paid to Mr. Akerley and Mr. Jenkins in accordance with the Corporation's Senior Executive Bonus Plan in 2021, 2022 and 2023. See "Executive Compensation – Compensation Discussion & Analysis – Performance Bonus". Also in 2021, 2022 and 2023 discretionary cash bonuses were paid to Mr. Gillis and Mr. Lyons.
- (5) Includes perquisites and benefits for Named Management that exceed 10% of base salary or \$50,000. Mr. Lyons receives hardship benefits from the Corporation to offset costs associated with residency in Mongolia. All other perquisites and benefits received by Named Management are not a material component of total compensation.
- (6) Mr. Lyons was appointed Vice-President Projects in 2021 and Chief Development Officer ("CDO") in 2023. Prior to these dates, Mr. Lyons served as Vice-President Regulatory and Strategy of the Corporation.
- (7) Mr. Akerley does not receive any compensation for his role as a director of the Corporation.

## Share-Based and Option Based Awards

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

The following tables detail option-based and share-based awards to Named Management as at December 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$) <sup>(2)</sup>
Peter C. Akerley President & CEO	1,000,000	0.36	May 9, 2028	82,500	N/A	N/A	701,750
	500,000	0.31	August 9, 2027				
	400,000	0.37	June 23, 2026				
	400,000	0.49	August 27, 2025				
	100,000	0.22	May 13, 2025				
Robert L. Jenkins, Vice-President & CFO	300,000	0.20	June 20, 2024	36,750	N/A	N/A	340,291
	400,000	0.36	May 9, 2028				
	300,000	0.31	August 9, 2027				
	250,000	0.37	June 23, 2026				
Michael X. Gillis Vice-President Exploration	250,000	0.49	August 27, 2025	32,250	N/A	N/A	220,197
	200,000	0.36	May 9, 2028				
	200,000	0.31	August 9, 2027				
	200,000	0.37	June 23, 2026				
Jon M. L. Lyons Vice-President & CDO	150,000	0.20	June 20, 2024	26,750	N/A	N/A	174,864
	300,000	0.36	May 9, 2028				
	250,000	0.31	August 9, 2027				
	250,000	0.37	June 23, 2026				
	250,000	0.49	August 27, 2025				
	100,000	0.20	June 20, 2024				

Notes:

- (1) The value of unexercised in-the-money options is the difference between the 2023 year-end closing price on the TSX for Common Shares, which was \$0.355, and the exercise price of the options.
- (2) The market value of vested DSUs is determined by multiplying the number of outstanding DSUs as at December 31, 2023 by the 2023 year-end closing price on the TSX for Common Shares, which was \$0.355.
- (3) During the financial year ended December 31, 2021, 100,000 options were exercised by Named Management, 0 options in 2022 and 150,000 in 2023.
- (4) All options and share-based awards vested upon grant.

### Value Vested or Earned During 2023

Name	Option-Based Awards – Value Vested during 2023 (\$)	Share-Based Awards – Value Vested during 2023 (\$)	Non-equity Incentive Plan Compensation – Value earned during 2023 (\$)
Peter C. Akerley President & CEO	Nil <sup>(1)</sup>	62,000 <sup>(2)</sup>	Nil
Robert L. Jenkins, Vice-President & CFO	Nil <sup>(1)</sup>	66,330 <sup>(2)</sup>	Nil
Michael X. Gillis Vice-President Exploration	Nil <sup>(1)</sup>	27,584 <sup>(2)</sup>	Nil
Jon M. L. Lyons Vice-President & CDO	Nil <sup>(1)</sup>	35,769 <sup>(2)</sup>	Nil

Notes:

- (1) On May 9, 2023, an aggregate of 1,950,000 options were granted to the Named Management and vested immediately, having an exercise price of \$0.36. The market price of the Common Shares on May 9, 2023, was \$0.36, based on the 5-day volume weighted average price.
- (2) The value vested is based on the market price of the Common Shares on the vesting date (the date of grant). In 2023, an aggregate of 609,138 DSUs were granted to Mr. Akerley, Mr. Jenkins, Mr. Gillis and Mr. Lyons and vested immediately. In 2023, Mr. Jenkins elected to receive DSUs in lieu of cash compensation with a value of \$24,275 (74,645 DSUs). The 5-day volume weighted average market price of the Common Shares on the grant date was \$0.33.



## Termination and Change of Control Benefits

The Corporation has not entered into any compensatory plan, contract or arrangement where a Named Management is entitled to receive compensation in the event of resignation, retirement or any other termination, a change of control of the Corporation, except as disclosed below.

Under the terms of the employment agreements with Mr. Jenkins, Mr. Gillis and Mr. Lyons, on termination of their employment without cause, they are entitled to one month's notice for every year of employment with the Corporation or, in lieu of notice, the greater of three (3) month's base salary and one (1) month's base salary for every year of employment with the Corporation. If Mr. Akerley's employment is terminated by the Corporation without cause, he will receive an amount equal to the amount of the salary and bonuses paid to him in the 12-month period preceding the termination and the Corporation shall continue his group insurance benefits, if any, for 6 months after the date of termination. Additionally, Mr. Jenkins, Mr. Gillis and Mr. Lyons have entered retention agreements that entitle these individuals to a bonus payable upon the Bayan Khundii Gold Project achieving commercial production and US\$10 million of net cash flow from gold sales, provided they remain employed by the Corporation, calculated as 100% of their base salary in 2019. In the event that the employment of Mr. Jenkins, Mr. Gillis or Mr. Lyons is terminated without cause before the Bayan Khundii Gold Project attains commercial production and US\$10 million of net cash flow from gold sales, these individuals will be entitled to a pro rata portion of the retention bonus.

In addition, under the terms of the employment agreements with Mr. Akerley and Mr. Jenkins, in the event of a change of control of the Corporation, each may terminate their respective agreements with the Corporation. If they do so, the Corporation is required to pay a lump sum severance payment equal to the amount of the salary and bonuses paid in the 24-month period preceding the termination in the case of Mr. Akerley and in the 18 months preceding the termination in the case of Mr. Jenkins.

If Mr. Akerley's employment is terminated by the Corporation as a result of death or disability, he shall receive an amount equal to the salary and bonuses paid to him in the 12-month period preceding the termination.

If the employment of any of the Named Management is terminated for cause, the Corporation is required to pay each of them their then current salary accrued pursuant to their respective employment agreements.

If the Named Management's employment had been terminated effective December 31, 2023, it is the Corporation's interpretation that the following amounts would have been payable as of the effective date of the termination, in addition to the salary accrued to the termination date:

Name	Type of Termination									
	Resignation		Termination without Cause		Termination with Cause		Death/Disability		Change of Control	
	Cash	DSU <sup>(3)</sup>	Cash	DSU <sup>(3)</sup>	Cash	DSU <sup>(3)</sup>	Cash	DSU <sup>(3)</sup>	Cash	DSU <sup>(3)</sup>
Peter C. Akerley <sup>(1)</sup>	Nil	701,750	597,841	701,750	Accrued Current Annual Salary	701,750	597,841	701,750	1,153,166	701,750
Robert L. Jenkins	Nil	340,291	227,182	340,291	Accrued Current Annual Salary	340,291	Nil	340,291	572,569	340,291
Michael X. Gillis	Nil	220,197	482,273	220,197	Accrued Current Annual Salary	220,197	Nil	220,197	Nil	220,197
Jon M.L. Lyons <sup>(2)</sup>	Nil	174,864	304,831	174,864	Accrued Current Annual Salary	174,864	Nil	174,864	Nil	174,864

Notes:

- (1) In the event of termination without cause or upon a change of control, the Corporation shall continue Mr. Akerley's group insurance benefits, if any, for 6 months after the date of termination; provided that if the Corporation is unable to continue any such benefits by reason of their termination of employment, the Corporation is not required to pay Mr. Akerley amounts in lieu thereof.
- (2) Mr. Lyons' employment contract had an initial term running through to April 30, 2024. This contract contains automatic renewal terms and Mr. Lyons remains an employee of the Corporation as at the date of this Circular. Mr. Lyons is also entitled to a moving allowance on termination of the contract.
- (3) At the option of the Corporation, DSUs may be redeemed for Common Shares in lieu of cash.

## Director Compensation

The following table sets forth amounts of compensation provided to members of the Board of Directors other than Named Management for the financial year ended December 31, 2023:

Name	Fees earned <sup>(1)</sup> (\$)	Share-based awards <sup>(2)</sup>		Option-based awards <sup>(3)</sup> (\$)	All other compensation (\$)	Total (\$)
		Value of DSUs (\$)	# of DSUs			
Dr. Anna G. Biolik	21,000	21,700	63,475	46,500	Nil	<b>89,200</b>
John P. Byrne	22,000	19,500	57,117	46,500	Nil	<b>88,000</b>
T. Layton Croft	40,000	27,500	80,412	46,500	46,000	<b>160,000</b>
Kenneth MacDonald	21,000	18,500	54,205	46,500	Nil	<b>86,000</b>
Cameron McRae	16,000	17,500	51,293	46,500	Nil	<b>80,000</b>
David V. Mosher	16,000	20,700	60,590	46,500	Nil	<b>83,200</b>
Hedley Widdup	18,000	17,500	51,293	46,500	Nil	<b>82,000</b>

### Notes:

- (1) Fees earned are comprised of board retainers and meeting honoraria. Fees earned includes the value of DSUs received at the election of a director in lieu of cash compensation. DSUs are valued at the five-day volume weighted average price ("VWAP") of the common shares at the grant date. Dr. Biolik elected to receive DSUs in lieu of cash compensation with a value of \$21,000. Mr. Byrne elected to receive DSUs in lieu of cash compensation with a value of \$10,000. Mr. MacDonald elected to receive DSUs in lieu of cash compensation with a value of \$5,000. Mr. Mosher elected to receive DSUs in lieu of cash compensation with a value of \$16,000.
- (2) Excludes "fees earned" by a director that the director has elected to take as DSUs but includes the share-based award for making such an election. DSUs vest immediately at the date of grant and the value of the DSUs is calculated based on the 5-day VWAP on the grant date. DSUs shall be redeemed by the Corporation, in Common Shares or cash, at the option of the Corporation, when the holder resigns or retires or otherwise leaves the Corporation. The total value and number of DSUs granted to a Director is disclosed in the Incentive Plan Awards – Value Vested or Earned During 2023 table on page 25.
- (3) All options had a 5-year term and were fully vested at the date of grant. The Corporation values stock-based incentives using the Black-Scholes method using the following assumptions: no dividend yield, risk-free interest of 2.99%, expected volatility of 57.4% and an expected life of 5 years. Options to acquire Common Shares are issued with an exercise price equal to the market price at the date the options are granted. The fair value of the options was \$0.186 per option for options granted in 2023. 0 options were exercised by directors in 2023.

From January 1, 2023 to March 31, 2023, non-management directors who are not executive officers were entitled to an honorarium of \$10,000 of DSUs per annum (\$2,500 of DSUs per quarter) and a \$10,000 cash retainer per annum (\$2,500 cash retainer per quarter), as well as \$1,000 per meeting of the Board of Directors or any committee of the Board of Directors. The Chairman of the Board was entitled to an honorarium of \$20,000 of DSUs per annum (\$5,000 of DSUs per quarter) and a \$20,000 cash retainer per annum (\$5,000 cash retainer per quarter), as well as \$2,000 per meeting of the Board of Directors or any committee of the Board of Directors, while Committee chairs were entitled to receive \$2,000 per meeting. From April 1, 2023 to December 31, 2023, non-management directors who are not executive officers were entitled to an honorarium of \$20,000 of DSUs per annum (\$5,000 of DSUs per quarter) and a \$10,000 cash retainer per annum (\$2,500 cash retainer per quarter), as well as \$1,000 per meeting of the Board of Directors or any committee of the Board of Directors. The Chairman of the Board was entitled to an honorarium of \$30,000 of DSUs per annum (\$7,500 of DSUs per quarter) and a \$20,000 cash retainer per annum (\$5,000 cash retainer per quarter), as well as \$2,000 per meeting of the Board of Directors or any committee of the Board of Directors, while Committee chairs were entitled to receive \$2,000 per meeting. Directors have the option of receiving all or a portion of the cash retainer and meeting fees in DSUs. Board members who are approved by the Board to observe meetings of Committees of which they are not a member may be paid an honorarium commensurate with Committee members for their attendance at such meetings. The aggregate amount of cash paid to directors in 2023 based upon their meeting attendance was \$122,000. Directors are also reimbursed for travel and other out-of-pocket expenses incurred for attendance at directors' meetings. Directors who elect to receive DSUs in lieu of fees receive a share-based award of additional DSUs equal to 20% of such elected amount.

From time to time the Compensation Committee of the Board completes a peer comparison of board compensation and makes a recommendation to the Board. The Board makes a decision as to the compensation to be paid to non-management directors, who are not executive officers, based on the recommendation of the Compensation Committee.

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

The following table presents details of all outstanding option-based awards and outstanding share-based awards to members of the Board of Directors other than Named Management as at December 31, 2023.

Name	Option-based Awards <sup>(3)</sup>				Share-based Awards <sup>(3)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$) <sup>(2)</sup>
Dr. Anna G. Biolik	250,000	0.36	May 9, 2028	21,125	N/A	N/A	200,061
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	100,000	0.20	June 20, 2024				
John P. Byrne	250,000	0.36	May 9, 2028	34,625	N/A	N/A	264,786
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	100,000	0.22	May 13, 2025				
	100,000	0.20	June 20, 2024				
T. Layton Croft	250,000	0.36	May 9, 2028	28,875	N/A	N/A	191,116
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	150,000	0.20	June 20, 2024				
Kenneth MacDonald	250,000	0.36	May 9, 2028	21,125	N/A	N/A	119,487
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	100,000	0.20	June 20, 2024				
Cameron McRae	250,000	0.36	May 9, 2028	28,875	N/A	N/A	90,813
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	150,000	0.20	June 20, 2024				
David V. Mosher	250,000	0.36	May 9, 2028	34,625	N/A	N/A	207,954
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	100,000	0.22	May 13, 2025				
	100,000	0.20	June 20, 2024				
Hedley Widdup	250,000	0.36	May 9, 2028	50,125	N/A	N/A	72,551
	125,000	0.31	August 9, 2027				
	100,000	0.37	June 23, 2026				
	100,000	0.49	August 27, 2025				
	200,000	0.22	May 13, 2025				
	100,000	0.18	November 29, 2024				

Notes:

- (1) The value of unexercised in-the-money options is the difference between the 2023 year-end closing price on the TSX for Common Shares, which was \$0.355, and the exercise price of the options.
- (2) The market value of vested DSUs is determined by multiplying the number of outstanding DSUs as at December 31, 2023 by the 2023 year-end closing price on the TSX for Common Shares, which was \$0.355.
- (3) All options and DSUs fully vested on grant.
- (4) At December 31, 2023, an aggregate of 563,553 DSUs were held by Dr. Biolik, an aggregate of 745,876 DSUs were held by Mr. Byrne, an aggregate of 538,355 DSUs were held by Mr. Croft, an aggregate of 336,584 DSUs were held by Mr. MacDonald, an aggregate of 255,811 DSUs were held by Mr. McRae, an aggregate of 585,787 DSUs were held by Mr. Mosher and an aggregate of 204,368 DSUs were held by Mr. Widdup.

## Value Vested or Earned During 2023

Name	Option-Based Awards – Value Vested during 2023 (\$)	Share-Based Awards – Value Vested during 2023 (\$)	Non-equity Incentive Plan Compensation – Value earned during 2023 (\$)
Dr. Anna G. Biolik	Nil <sup>(1)</sup>	42,700 <sup>(2)</sup>	Nil
John P. Byrne	Nil <sup>(1)</sup>	29,500 <sup>(2)</sup>	Nil
T. Layton Croft	Nil <sup>(1)</sup>	27,500 <sup>(2)</sup>	Nil
Kenneth MacDonald	Nil <sup>(1)</sup>	23,500 <sup>(2)</sup>	Nil
Cameron McRae	Nil <sup>(1)</sup>	17,500 <sup>(2)</sup>	Nil
David V. Mosher	Nil <sup>(1)</sup>	36,700 <sup>(2)</sup>	Nil
Hedley Widdup	Nil <sup>(1)</sup>	17,500 <sup>(2)</sup>	Nil

Notes:

- (1) On May 9, 2023, an aggregate of 1,750,000 options were granted to directors and vested immediately, having an exercise price of \$0.36. The market price of the Common Shares on May 9, 2023, based on a 5-day volume weighted average price, was \$0.36.
- (2) The value vested is based on the market price of the Common Shares on the vesting date (the date of grant). In 2023, 124,385 DSUs were granted to Dr. Biolik, 86,235 DSUs were granted to Mr. Byrne, 80,412 DSUs were granted to Mr. Croft, 68,765 DSUs were granted to Mr. MacDonald, 51,293 DSUs were granted to Mr. McRae and Mr. Widdup and 107,074 DSUs were granted to Mr. Mosher, and all vested immediately. The 5-day volume weighted average market price of the Common Shares on the grant date was \$0.34.

During the year ended December 31, 2023, no options were exercised by members of the Board of Directors.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plans

The Corporation currently has in place the Omnibus Plan, as well as the Legacy Plans. The following table sets out information as of December 31, 2023, the Corporation's most recently completed financial year, with regard to outstanding awards exercisable into Common Shares under the Omnibus Plan and the Legacy Plans.

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)
Omnibus Plan - Options	Nil	N/A	
Omnibus Plan - DSUs	1,247,026 <sup>(1)</sup>	N/A	
Omnibus Plan - RSUs	Nil	N/A	5,561,567 <sup>(4)(5)</sup>
Omnibus Plan - PSUs	Nil	N/A	
Option Plan	20,485,000 <sup>(2)</sup>	\$0.35	Nil
DSU Plan	7,195,224 <sup>(3)</sup>	N/A	Nil
Total	28,927,250	N/A	5,561,567

Notes:

- (1) This number represents DSUs granted under the Omnibus Plan and represents 0.4% of the issued and outstanding Common Shares as of December 31, 2023. No other securities were granted under the Omnibus Plan for the year ended December 31, 2023.
- (2) This number represents options issued under the legacy incentive stock option plan and represents 5.9% of the issued and outstanding Common Shares as of December 31, 2023. No new options will be granted under the legacy incentive stock option plan.
- (3) This number represents DSUs issued under the legacy DSU plan and represents 2.1% of the issued and outstanding Common Shares as of December 31, 2023. No new DSUs will be granted under the legacy DSU plan.
- (4) This maximum number of Common Shares issuable pursuant to the Omnibus Plan, together with awards outstanding under the Legacy Plans, is limited to a maximum of 10% of the issued and outstanding Common Shares at any point in time.
- (5) This number equals 10% of the total issued and outstanding Common Shares of the Corporation on December 31, 2023, which was 344,888,176 less the number of Common Shares reported under column (a) above and represents 1.6% of the issued and outstanding Common Shares as of December 31, 2023.

## Omnibus Equity Incentive Plan

### Background & Purpose

At the Corporation's annual and special meeting of Shareholders held on June 22, 2023, the Shareholders approved the Omnibus Plan for the Corporation. The Omnibus Plan provides flexibility to the Corporation to grant equity-based incentive awards in the form of options ("Options"), restricted share units ("RSUs"), performance share units ("PSUs") and deferred share units ("DSUs"), as described in further detail below. All future grants of equity-based awards will be made pursuant to, or as otherwise permitted by, the Omnibus Plan, and no further equity-based awards could be made pursuant to the Legacy Plans. The Legacy Plans will remain in effect only in respect of outstanding equity-based awards. Once all outstanding equity-based awards granted under the Legacy Plans are exercised, settled or terminated, the Legacy Plans will terminate and be of no further force or effect.

The Board adopted the Omnibus Plan for the benefit of the Corporation's directors, employees and consultants, and directors, employees and consultants of subsidiaries of the Corporation designated for the purposes of the Omnibus Plan (collectively, "Participants"). The purpose of the Omnibus Plan is to, among other things, provide the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, employees and consultants of the Corporation and its subsidiaries, to reward such of those directors, employees and consultants as may be granted awards under the Omnibus Plan from time to time for their contributions toward the long-term goals and success of the Corporation and to enable and encourage such directors, employees and consultants to acquire Common Shares as long-term investments and proprietary interests in the Corporation.

### Key Terms of the Omnibus Plan

A summary of the key terms of the Omnibus Plan is set out below, which is qualified in its entirety by the full text of the Omnibus Plan which is attached as Appendix B to the Corporation's management information circular dated May 19, 2023, a copy of which is available with the Corporation's other public disclosure documents on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Shares Subject to the Omnibus Plan

The Omnibus Plan is a rolling plan which, subject to the adjustment provisions provided for therein (including a subdivision or consolidation of Common Shares), provides that the aggregate maximum number of Common Shares that may be issued upon the exercise or settlement of awards granted under the Omnibus Plan, together with awards outstanding under the Legacy Plans, shall not exceed ten percent (10%) of the Corporation's issued and total outstanding Common Shares.

### Insider Participation Limit and Limits on Awards to Non-Executive Directors

The Omnibus Plan also provides that the aggregate number of Common Shares (a) issuable to insiders at any time (under all of the Corporation's security-based compensation arrangements, including the Legacy Plans) cannot exceed 10% of the Corporation's issued and outstanding Common Shares and (b) issued to insiders within any one year period (under all of the Corporation's security-based compensation arrangements, including the Legacy Plans) cannot exceed 10% of the Corporation's issued and outstanding Common Shares.

Furthermore, the Omnibus Plan provides that the Corporation shall not make a grant of an award to a director who is not also an employee or consultant ("Non-Executive Directors") if, after giving effect to such grant, within any one financial year of the Corporation, (i) the aggregate fair value on the date of grant of all Options granted to such Non-Executive Director exceeds CAD\$100,000, or (ii) the aggregate fair value on the date of grant of all awards (including, for greater certainty, the fair value of Options) granted to such Non-Executive Director under all of the Corporation's security based compensation arrangements exceeds CAD\$150,000; however, such limits do not apply to (a) awards taken in lieu of any cash fees, and (b) a one-time initial grant to a Non-Executive Director upon such Non-Executive Director joining the Board.

Any Common Shares issued by the Corporation through the assumption or substitution of outstanding stock options or other equity-based awards from an acquired company shall not reduce the number of Common Shares available for issuance pursuant to the exercise of awards granted under the Omnibus Plan.

### Administration of the Omnibus Plan

The Plan Administrator (as defined in the Omnibus Plan) is determined by the Board and is currently the Board. The Omnibus Plan may in the future be administered by the Board itself or delegated to a committee of the Board, and it is expected that administration of the Omnibus Plan will be delegated to the Compensation Committee. The Plan

Administrator determines which directors, consultants and employees are eligible to receive awards under the Omnibus Plan, the time or times at which awards may be granted, the conditions under which awards may be granted or forfeited to the Corporation, the number of Common Shares to be covered by any award, the exercise price of any award, whether restrictions or limitations are to be imposed on the Common Shares issuable pursuant to grants of any award, and the nature of any such restrictions or limitations, any acceleration of exercisability or vesting, and any waiver of termination regarding any award, all based on such factors as the Plan Administrator may determine.

In addition, the Plan Administrator interprets the Omnibus Plan and may adopt guidelines and other rules and regulations relating to the Omnibus Plan and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Omnibus Plan.

### **Eligibility**

All directors, employees and consultants are eligible to participate in the Omnibus Plan. The extent to which any such person is entitled to receive a grant of an award pursuant to the Omnibus Plan will be determined in the sole and absolute discretion of the Plan Administrator.

### **Types of Awards**

Awards of Options, RSUs, PSUs and DSUs may be made under the Omnibus Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Plan Administrator, in its sole discretion, subject to such limitations provided in the Omnibus Plan, and will generally be evidenced by an award agreement, which award agreement may include an expiry date for a specific award. In addition, subject to the limitations provided in the Omnibus Plan and in accordance with applicable law, the Plan Administrator may accelerate or defer the vesting or payment of awards, cancel or modify outstanding awards, and waive any condition imposed with respect to awards or Common Shares issued pursuant to awards.

### **Options**

An Option entitles a holder thereof to purchase a prescribed number of Common Shares from treasury at an exercise price set at the time of the grant. Such grant may be settled in Shares, cash or combination thereof in the discretion of the Plan Administrator. If settled in cash, such payment will be equal to the In-the-Money Amount (as defined below). The Plan Administrator will establish the exercise price at the time each Option is granted, which exercise price must in all cases be not less than the volume weighted average trading price of a Common Share on the TSX for the five trading days immediately preceding the date of grant (the "Market Price"). Subject to any accelerated termination as set forth in the Omnibus Plan, each Option expires on its respective expiry date. The Plan Administrator will have the authority to determine the vesting terms applicable to grants of Options. Once an Option becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the Option, unless otherwise specified by the Plan Administrator. The Plan Administrator has the right to accelerate the date upon which any Option becomes exercisable. The Plan Administrator may provide at the time of granting an Option that the exercise of that Option is subject to restrictions, in addition to those specified in the Omnibus Plan, such as vesting conditions relating to the attainment of specified performance goals. While the Omnibus Plan does not stipulate a specific term for awards granted thereunder, an Option may not expire beyond 5 years from its date of grant, except where Shareholder approval is received or where an expiry date would have fallen within a blackout period of the Corporation.

Unless otherwise specified by the Plan Administrator at the time of granting an Option and set forth in the particular award agreement, an exercise notice must be accompanied by payment of the exercise price. Subject to the policies of the TSX, if permitted by the Plan Administrator, a Participant may, in lieu of exercising an Option pursuant to an exercise notice, elect to surrender such Option to the Corporation (a "Cashless Exercise") in consideration for an amount from the Corporation equal to (i) the Market Price of the Common Shares issuable on the exercise of such Option (or portion thereof) as of the date such Option (or portion thereof) is exercised, less (ii) the aggregate exercise price of the Option (or portion thereof) surrendered (the "In-the-Money Amount") by written notice to the Corporation indicating the number of Options such Participant wishes to exercise using the Cashless Exercise, and such other information that the Corporation may require. Subject to the provisions of the Omnibus Plan, the Corporation will satisfy payment of the In-the-Money Amount by delivering to the Participant such number of Common Shares as is determined by dividing the In-the-Money Amount by the Market Price of a Common Share as of the date of exercise.

### **Restricted Share Units**

An RSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive one Common Share (or the value thereof) for each RSU after a specified vesting period. The Plan Administrator may, from time to time, subject to the provisions of the Omnibus

Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "RSU Service Year").

The number of RSUs (including fractional RSUs) granted at any particular time under the Omnibus Plan will be calculated by dividing (a) the amount of any bonus or similar payment that is to be paid in RSUs, as determined by the Plan Administrator, by (b) the greater of (i) the Market Price of a Common Share on the date of grant and (ii) such amount as determined by the Plan Administrator in its sole discretion. The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of RSUs, provided that the terms comply with Section 409A of the U.S. Internal Revenue Code of 1986, to the extent it is applicable.

Upon settlement, Participants will redeem each vested RSU for the following at the election and approval of the Plan Administrator: (a) one fully paid and non-assessable Common Share in respect of each vested RSU, (b) a cash payment, or (c) a combination of Common Shares and cash. Any such cash payments made by the Corporation shall be calculated by multiplying the number of RSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date. Subject to the provisions of the Omnibus Plan and except as otherwise provided in an award agreement, no settlement date for any RSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any RSU, any later than the final business day of the third calendar year following the applicable RSU Service Year.

### **Performance Share Units**

A PSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive one Common Share (or the value thereof) for each PSU after specific performance-based vesting criteria determined by the Plan Administrator, in its sole discretion, have been satisfied. The performance goals to be achieved during any performance period, the length of any performance period, the amount of any PSUs granted, the effect of termination of a Participant's service and the amount of any payment to be made pursuant to any PSU will be determined by the Plan Administrator, all as set forth in the applicable award agreement. The Plan Administrator may, from time to time, subject to the provisions of the Omnibus Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant in respect of a bonus or similar payment in respect of services rendered by the applicable Participant in a taxation year (the "PSU Service Year").

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of PSUs, provided that the terms comply with Section 409A of the U.S. Internal Revenue Code of 1986, to the extent it is applicable. Upon settlement, Participants will redeem each vested PSU for the following at the election and approval of the Plan Administrator: (a) one fully paid and non-assessable Common Share in respect of each vested PSU, (b) a cash payment, or (c) a combination of Common Shares and cash. Any such cash payments made by the Corporation to a Participant shall be calculated by multiplying the number of PSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date. Subject to the provisions of the Omnibus Plan and except as otherwise provided in an award agreement, no settlement date for any PSU shall occur, and no Common Share shall be issued or cash payment shall be made in respect of any PSU, any later than the final business day of the third calendar year following the applicable PSU Service Year.

### **Deferred Share Units**

A DSU is a unit equivalent in value to a Common Share credited by means of a bookkeeping entry in the books of the Corporation which entitles the holder to receive one Common Share (or the value thereof) for each DSU on a future date. The Board may fix from time to time a portion of the total compensation (including annual retainer and meeting fees) paid by the Corporation to a director in a financial year for service on the Board or any committee of the Board (the "Director Fees") that is to be payable in the form of DSUs. In addition, each director is given, subject to the provisions of the Omnibus Plan, the right to elect to receive a portion of the cash Director Fees owing to them in the form of DSUs. The number of DSUs (including fractional DSUs) granted at any particular time in respect of Director Fees will be calculated by dividing (a) the amount of Director Fees that are to be paid in DSUs by (b) the Market Price of a Common Share on the date of grant. The Plan Administrator may also from time to time, subject to the Omnibus Plan and such other terms and conditions as the Plan Administrator may prescribe, grant DSUs to any Participant on a discretionary basis.

The Plan Administrator shall have the authority to determine any vesting terms applicable to the grant of DSUs granted to any Participant by the Plan Administrator on a discretionary basis, and all other DSUs (including those awarded as a portion of (or in lieu of cash) Director Fees) shall vest immediately upon grant. Upon settlement, at the election of

the Plan Administrator, Participants will redeem each vested DSU for: (a) one fully paid and non-assessable Common Share issued from treasury in respect of each vested DSU, (b) a cash payment on the date of settlement, or (c) a combination of Common Shares and cash. Any cash payments made under the Omnibus Plan by the Corporation to a Participant in respect of DSUs to be redeemed for cash shall be calculated by multiplying the number of DSUs to be redeemed for cash by the Market Price per Common Share as at the settlement date. DSUs shall be settled effective as of the Participant's termination date or such later date as is selected by the Participant with the approval of the Plan Administrator, but not later than the last business day of the first calendar year after the year in which the termination date occurs.

### **Dividend Equivalents**

Except as otherwise determined by the Plan Administrator, an award of RSUs, PSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs, PSUs and DSUs, as applicable, as of each dividend payment date in respect of which normal cash dividends are paid on Common Shares. Dividend equivalents shall vest in proportion to, and settle in the same manner as, the awards to which they relate. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of RSUs, PSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Market Price as of the dividend payment date, with fractions computed to two decimal places.

### **Blackout Periods**

In the event that an award expires at a time when a blackout period is in effect, the expiry of such award will be extended to the date that is 10 business days after the date the blackout period terminates.

### **Termination of Employment or Services**

The following table describes the impact of certain events upon a Participant under the Omnibus Plan, including termination for cause, resignation, termination without cause, disability, death or retirement, unless otherwise determined by the Plan Administrator:

<b>Termination for Cause/Resignation (not including directors)</b>	Any Option or other award held by the Participant that has not been exercised, surrendered or settled as of the Termination Date (as defined in the Omnibus Plan), whether vested or unvested, shall be immediately forfeited and cancelled as of the Termination Date.
<b>Termination without Cause (not including directors)</b>	All unvested Options or other awards shall be immediately forfeited and cancelled as of the Termination Date. Any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the date that is 90 days after the Termination Date, following which any unexercised Option will be immediately forfeited and cancelled. In the case of a vested award other than an Option, such award will be settled within 90 days after the Termination Date or, in the case of a DSU, by any later settlement date contemplated by the Omnibus Plan.
<b>Disability</b>	Any award held by the Participant that has not vested as of the date of such Participant's Termination Date shall vest on such date. Any vested Option may be exercised by the Participant at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the first anniversary of the Termination Date. Any vested award other than an Option will be settled within 90 days after the Termination Date or, in the case of a DSU, by any later settlement date contemplated by the Omnibus Plan.
<b>Death</b>	Any award that is held by the Participant that has not vested as of the date of the death of such Participant shall vest on such date. Any vested Option may be exercised by the participant's beneficiary or legal representative (as applicable) at any time during the period that terminates on the earlier of: (a) the expiry date of such Option, and (b) the first anniversary of the date of the death of such Participant, following which any unexercised Option will be immediately forfeited and cancelled. In the case of a vested award other than an Option, such award will be settled with the Participant's beneficiary or legal representative (as applicable) within 90 days after the date of the Participant's death or, in the case of a DSU, by any later settlement date contemplated by the Omnibus Plan.
<b>Retirement</b>	Any (i) outstanding award that vests or becomes exercisable based solely on the Participant remaining in the service of the Corporation or its subsidiary shall vest on the Participant's Termination Date, and (ii) outstanding award that vests based on the achievement of performance goals that has not previously become vested shall continue to be eligible to vest based upon the actual achievement of such Performance Goals. Any vested Option may be exercised by the Participant at any time during the period that terminates on the earlier of: (a) the expiry date of such



Option; and (b) the date that is 90 days after the Termination Date, following which any unexercised Option will be immediately forfeited and cancelled. In the case of a vested award described in (i) above (other than an Option), such award will be settled within 90 days after the Participant's Retirement or, in the case of a DSU, by any later settlement date contemplated by the Omnibus Plan. In the case of a vested award described in (ii) above (other than an Option), such award will be settled at the same time the award would otherwise have been settled had the Participant remained in active service with the Corporation or its subsidiary.

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**Director  
Termination other  
than Death,  
Disability or  
Retirement**

Where a Participant that is a director ceases to hold office for any reason other than as a result of death, disability or retirement: (i) all unvested awards shall be immediately forfeited and cancelled as of the Termination Date; (ii) any vested Options may be exercised by the Participant at any time during the period that terminates on the earlier of: (a) the expiry date of such Option; and (b) the date that is 90 days after the Termination Date, following which any unexercised Option will be immediately forfeited and cancelled; and (iii) all vested awards other than Options will be settled within 90 days after the Termination Date or, in the case of a DSU, by any later settlement date contemplated by the Omnibus Plan.

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### **Change in Control**

Under the Omnibus Plan, except as may be set forth in an award agreement with the approval of the Plan Administrator:

- (a) In connection with a Change of Control (as defined below), the Plan Administrator may, without the consent of any Participant, take such steps as it deems necessary or desirable, including to cause (i) the conversion or exchange of any outstanding awards into, or for, rights or other securities of substantially equivalent value, as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from such Change in Control; (ii) outstanding awards to vest and become exercisable, realizable, or payable, or restrictions applicable to an award to lapse, in whole or in part, prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iii) the termination of an award in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise or settlement of such award or realization of the Participant's rights as of the date of the occurrence of the transaction; (iv) the replacement of such award with other rights or property selected by the Board in its sole discretion where such replacement would not adversely affect the holder; or (v) any combination of the foregoing.
- (b) If within 12 months following the completion of a transaction resulting in a Change in Control (as defined below), a Participant's employment, consultancy or directorship is terminated by the Corporation or a subsidiary of the Corporation without Cause (as defined in the Omnibus Plan), without any action by the Plan Administrator:
  - (i) any unvested awards held by the Participant at their termination date shall immediately vest; and
  - (ii) any vested awards may be exercised, surrendered, or settled by the Participant at any time during the period that terminates on the earlier of: (a) the expiry date of such award; and (b) the date that is 90 days after the Participant's termination date.
- (c) Unless otherwise determined by the Plan Administrator, if, as a result of a Change in Control, the Common Shares will cease trading on the TSX, the Corporation may terminate the awards, in whole or in part, granted under the Omnibus Plan at the time of and subject to the completion of the Change in Control transaction by paying to each Participant at or within a reasonable period of time following completion of such Change in Control transaction an amount for each award equal to the fair market value of the award held by such Participant as determined by the Plan Administrator, acting reasonably, provided that any vested awards granted to U.S. taxpayers will be settled within 90 days of the Change in Control.

Subject to certain exceptions, a "Change in Control" includes (a) any transaction pursuant to which a person or group acquires more than 50% of the votes attached to the then outstanding Common Shares, (b) the sale of all or

substantially all of the Corporation's assets, (c) the dissolution or liquidation of the Corporation, (d) the acquisition of the Corporation via consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise, (e) where individuals who comprise the Board at the last annual meeting of Shareholders (the "Incumbent Board") cease to constitute at least a majority of the Board, unless the election, or nomination for election by the Shareholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, in which case such new director shall be considered as a member of the Incumbent Board, or (f) any other event which the Board determines to constitute a change in control of the Corporation.

### **Non-Transferability of Awards**

Except as permitted by the Plan Administrator and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, no assignment or transfer of awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such awards will terminate and be of no further force or effect. To the extent that certain rights to exercise any portion of an outstanding award pass to a beneficiary or legal representative upon the death of a Participant, the period in which such award can be exercised by such beneficiary or legal representative shall not exceed one year from the Participant's death.

### **Amendments to the Omnibus Plan**

The Plan Administrator may also from time to time, without notice and without approval of the Shareholders, amend, modify, change, suspend or terminate the Omnibus Plan or any awards granted pursuant thereto as it, in its discretion, determines appropriate, provided that (a) no such amendment, modification, change, suspension or termination of the Omnibus Plan or any award granted pursuant thereto may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Omnibus Plan without the consent of such participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (b) any amendment that would cause an award held by a U.S. taxpayer to be subject to the income inclusion under Section 409A of the United States Internal Revenue Code of 1986, as amended.

Notwithstanding the above, and subject to the rules of the TSX, the approval of Shareholders is required to effect any of the following amendments to the Omnibus Plan:

- (a) increasing the number of Common Shares reserved for issuance under the Omnibus Plan, except pursuant to the provisions in the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (b) increasing or removing the limits on the percentage of Common Shares issuable or issued to insiders;
- (c) reducing the exercise price of an award of Options held by an insider except pursuant to the provisions in the Omnibus Plan which permit the Plan Administrator to make equitable adjustments in the event of transactions affecting the Corporation or its capital;
- (d) extending the term of an award of Options held by an insider beyond the original expiry date; and
- (e) amending the amendment provision of the Omnibus Plan.

Except as described above, amendments to the Omnibus Plan will not require Shareholder approval. Such amendments include (but are not limited to): (a) amending the general vesting provisions of an award, (b) amending the provisions for early termination of awards in connection with a termination of employment or service, (c) adding covenants of the Corporation for the protection of the Participants, (d) amendments with respect to international Participants, (e) amendments that are desirable as a result of changes in law in any jurisdiction where a Participant resides, (f) amendments curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, and (g) any other amendment, fundamental or otherwise, not requiring Shareholder approval under applicable laws or the rules or policies of the TSX.

### **Plan Renewal**

Pursuant to the Omnibus Plan, the Omnibus Plan must be re-approved by the Shareholders at every third annual meeting of Shareholders. If the Omnibus Plan is not re-approved or is not presented for re-approval at any such annual meeting of the Shareholders, no further awards may be granted under the Omnibus Plan from the close of such meeting

until Shareholder approval is obtained at a meeting of Shareholders, and any outstanding awards shall continue in effect in accordance with their terms and conditions and the terms and conditions of the Omnibus Plan.

### **Anti-Hedging Policy**

Participants are restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of awards granted to them.

### **Awards Outstanding and Shares Reserved**

See "Securities Authorized for Issuance Under Equity Compensation Plans" for information with respect to the awards outstanding and Common Shares available for issuance under the Omnibus Plan as of December 31, 2023.

## **Incentive Stock Option Plan**

### **Introduction**

At the annual and special meeting of Shareholders held on May 10, 2007, the Shareholders adopted a 10% "rolling" stock option plan (the "**Option Plan**"). The Option Plan replaced the stock option plan approved by Shareholders on November 18, 2003, and re-affirmed on June 24, 2004 and June 25, 2005, as required by the policies of the TSX Venture Exchange, the stock exchange upon which the Common Shares were listed at the time. The Option Plan was amended by the Board on December 16, 2010, to deal with employer tax withholding and remittance requirements for stock option benefits. The Board further amended the Option Plan on May 15, 2019 to update the definition of insider for the purposes of the Option Plan for consistency with the TSX Company Manual. Pursuant to the Option Plan, the Board is authorized to make such amendments without obtaining Shareholder approval as noted in the summary below. Shareholders approved all unallocated options issuable under the Option Plan at the annual and special meetings held on May 20, 2010, June 27, 2013, June 14, 2016, and June 20, 2019, as required by the rules of the TSX. The Option Plan was replaced by the Omnibus Plan on June 22, 2023. No further awards can be granted under the Option Plan; however, the Option Plan will continue to be authorized for the sole purpose of facilitating the vesting, exercise and settlement of existing options granted under the Option Plan.

The Option Plan was a 10% "rolling" stock option plan and its purpose was to attract and retain directors, officers, employees and service providers and to motivate them to advance the interests of the Corporation by affording them the opportunity to acquire an equity interest in the Corporation through options.

The following information is intended as a summary of the Option Plan and is qualified in its entirety by reference to the Option Plan in the form attached as Appendix A to the Corporation's management information circular dated April 9, 2007, as subsequently amended by the Board as described above, which is available on the Corporation's SEDAR+ document page at [www.sedarplus.ca](http://www.sedarplus.ca).

### **"Rolling" Maximum Reserve**

The Option Plan provides that the number of Common Shares reserved for issuance upon the exercise of options is a rolling maximum number that shall not be greater than 10% of the outstanding Common Shares at any point in time.

### **Other Terms**

The Option Plan authorizes the Board (or a Committee of the Board, if so, authorized by the Board) to grant options to acquire Common Shares in favour of "**Eligible Persons**". Eligible Persons are directors, officers, employees, consultants, management company employees or any other service providers of the Corporation or its affiliates.

The aggregate number of Common Shares issued to insiders of the Corporation, as defined by the TSX, within any one-year period under the Option Plan, together with any other security-based compensation arrangement cannot exceed 10% of the outstanding Common Shares. In addition, the aggregate number of Common Shares issuable to insiders of the Corporation at any time under the Option Plan together with any other security-based compensation arrangement cannot exceed 10% of the outstanding Common Shares.

The date of grant, the number of Common Shares, the vesting period and any other terms and conditions of options granted pursuant to the Option Plan are determined by the Board, subject to the express provisions of the Option Plan.

Unless otherwise specified by the Board at the time an option is granted under the Option Plan:

- (a) the exercise price of the option will be the volume weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the date of the grant;
- (b) the term of the option will be 10 years from the date of the grant (which is the maximum allowable term under the Option Plan), unless the expiry of the term falls during a black-out (or within ten days from the end of blackout) from trading in the securities of the Corporation imposed on certain persons including the optionee pursuant to any policies of the Corporation, and where such black-out applies, the expiry of the term of the option shall automatically be extended to 10 business days following the end of the black-out;
- (c) the option will vest immediately upon grant; and
- (d) if before the expiry of the option, the optionee ceases to be an Eligible Person for any reason other than termination by the Corporation for cause, the option will terminate within ninety days of the date the optionee ceases to be an Eligible Person; provided however, in the event of the death of the optionee, the option continues to be exercisable for a period up to twelve months from the date of such event. If the optionee ceases to be an Eligible Person by reason of termination by the Corporation for cause, the option will terminate immediately upon the optionee ceasing to be an Eligible Person.

In the event an offer is made for the Common Shares which would result in the offeror exercising control of the Corporation within the meaning of applicable securities laws, any options then outstanding may be exercised so as to allow the optionee to tender the Common Shares received upon such an exercise to the offer; provided however, if the offer is not completed or the Common Shares tendered to the offeror are not taken up and paid for by the offeror, then such Common Shares must be returned to the Corporation by the optionee and the terms of the option applicable prior to the offer will again apply to the options.

The options are non-assignable and non-transferable and there is no ability under the Option Plan to transform an option granted under the Option Plan into a stock appreciation right.

The Board may, in its discretion, but subject to applicable law, authorize the Corporation to make loans to Eligible Persons to assist them in exercising their options. The terms and conditions of such loans are determined by the Board, and must include interest at prevailing market rates, a term not in excess of one year, and security in favour of the Corporation represented by that number of Common Shares received on exercise which equals the loaned amount divided by the market price of the Common Shares on the date of such exercise, or equivalent security, which security may be granted on a non-recourse basis.

The Option Plan contains a formal amendment procedure which sets forth a list of amendments that can be made to the Option Plan by the Board without requiring the approval of Shareholders unless specifically required by the TSX. These amendments include, without limitation:

- (a) altering, extending or accelerating option vesting terms and conditions;
- (b) amending the termination provisions of an option;
- (c) accelerating the expiry date of an option;
- (d) determining adjustments pursuant to the provisions of the Option Plan concerning corporate changes;
- (e) amending the definitions contained in the Option Plan;
- (f) amending or modifying the mechanics of exercising options;
- (g) adding, amending or removing any provisions for financial assistance provided by the Corporation to purchase Common Shares under the Option Plan;
- (h) amending provisions relating to the administration of the Option Plan;
- (i) making "housekeeping" amendments, such as those necessary to cure errors or ambiguities contained in the Option Plan;

- (j) effecting amendments necessary to comply with the provisions of applicable laws; and
- (k) suspending or terminating the Option Plan.

The Option Plan specifically provides that the following amendments, among others, require shareholder approval:

- (a) increasing the number of Common Shares issuable under the Option Plan, except by operation of the "rolling" maximum reserve;
- (b) amending the Option Plan, which amendment could result in the aggregate number of Common Shares issued to insiders within any one-year period or issuable to insiders at any time under the Option Plan, together with any other security-based compensation arrangement, exceeding 10% of the issued and outstanding Common Shares;
- (c) extending the period of time during which options may be exercised;
- (d) reducing the option price;
- (e) amending the class of Eligible Persons which would have the potential of broadening or increasing participation in the Option Plan by insiders;
- (f) amending the formal amendment procedures; and
- (g) making any amendments required to be approved by the Shareholders under applicable law.

The Corporation's DSU Plan impacts the number of options that the Corporation may issue pursuant to the Option Plan. For example, the maximum number of Common Shares issuable to insiders (as that term is defined by the TSX) pursuant to the DSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, may not exceed 10% of the total issued and outstanding Common Shares at any time. See "*Securities Authorized for Issuance Under Equity Compensation Plans – Deferred Stock Unit Plan – Maximum Number of DSUs and Shares Issuable*".

#### **Existing Stock Options and Shares Reserved**

See "Securities Authorized for Issuance Under Equity Compensation Plans" for information with respect to the options outstanding under the Option Plan as of December 31, 2023.

### **Deferred Stock Unit Plan**

#### **Introduction**

At the special meeting of Shareholders held on October 26, 2012, the Shareholders adopted the DSU Plan, which was subsequently amended at the annual and special meetings of the Shareholders on June 4, 2015, June 20, 2019 and June 25, 2020. At the special meeting of Shareholders held on June 20, 2019, the Shareholders approved a resolution amending the DSU Plan so that the maximum number of DSUs that may be outstanding under the DSU Plan from time to time was fixed at 5,000,000, the effect of which was to change the DSU Plan into an "evergreen" plan such that any DSUs redeemed, surrendered, forfeited or cancelled again became available for future grant. An increase in the maximum number of DSUs that may be outstanding under the DSU Plan to 7,500,000 was approved by the Shareholders at the annual and special meeting held on June 25, 2020. The Board also amended the DSU Plan on May 15, 2019 to remove the requirement for participants to elect to receive compensation in the form of DSUs in 10% increments and other housekeeping amendments, which amendments the Board has authority under the DSU Plan to make without obtaining Shareholder approval as noted in the summary below. The DSU Plan was replaced by the Omnibus Plan on June 22, 2023. No further awards can be granted under the DSU Plan; however, the DSU Plan will continue to be authorized for the sole purpose of facilitating the vesting, exercise and settlement of existing options granted under the DSU Plan.

The purpose of the DSU Plan was to assist the Corporation in attracting and retaining talented employees and directors and to promote a greater alignment of interests between the directors, employees and the Shareholders. The DSUs issued under the DSU Plan form part of the Corporation's overall director and employee compensation strategy. Since the value of DSUs increase or decrease with the price of Common Shares, DSUs reflect a philosophy of aligning the interests of directors and employees with those of the Shareholders by tying compensation to share price performance. Additionally, the Corporation may utilize DSUs to minimize cash compensation expenditures.

The following information is intended as a summary of the DSU Plan and is qualified in its entirety by reference to the DSU Plan which is available on the Corporation's SEDAR+ document page at [www.sedarplus.ca](http://www.sedarplus.ca), as subsequently amended as described above.

### **Administration of Plan**

The DSU Plan provides that directors and employees of the Corporation may elect to receive all or a portion of their annual compensation in DSUs. The number of DSUs received is equal to the amount of compensation elected to be received in DSUs, divided by the volume-weighted average trading price of the Common Shares on the TSX for the 5 trading days immediately prior to the payment date ("**Market Value**"). DSUs awarded under the DSU Plan in lieu of annual compensation will vest immediately.

In addition, the Compensation Committee has the authority to make discretionary awards of DSUs to directors and employees under the DSU Plan. DSUs granted pursuant to discretionary awards will vest in accordance with the vesting schedule determined by the Compensation Committee. Unless otherwise determined by the Board, DSUs will vest equally over 3 years, with 25% of the awarded DSUs vesting on the date of the award and an additional 25% vesting on each anniversary until fully vested. The Compensation Committee may at any time shorten the vesting period of any or all DSUs, including upon a change of control.

In the event that a dividend is paid on the Common Shares while DSUs are outstanding, each director or employee who has received DSUs will be allocated additional DSUs equal to the total amount of dividends paid on the number of shares which is equal to the number of DSUs received by such director or employee, as the case may be, divided by the Market Value of a Common Share as at the dividend payment date.

Each DSU represents the right of the director or employee to receive, after his or her death, resignation, retirement or other termination, at the option of the Corporation, either (a) a cash payment equal to the Market Value of a Common Share on the date of such termination event, multiplied by the number of DSUs then held, or (b) that number of Common Shares representing the DSUs then held by such director or employee. Under the DSU Plan, the Corporation is authorized to withhold any amounts required to be withheld or deducted under applicable taxation or other laws. If applicable, DSUs will cease vesting on the date of the termination event.

Each participant in the DSU Plan will have a DSU account to record all awards of DSUs and, if applicable, the vesting of DSUs.

### **Maximum Number of DSUs and Shares Issuable**

As of the date of this Circular, the maximum number of DSUs outstanding under the DSU Plan from time to time, and the maximum number of Common Shares underlying the outstanding DSUs, is 7,500,000.

The DSU Plan provides that the maximum number of Common Shares issuable to insiders (as that term is defined by the TSX) pursuant to the DSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total issued and outstanding Common Shares at any time. In addition, the maximum number of Common Shares issued to insiders under the DSU Plan, together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation, within any one-year period, will not exceed 10% of the total number of outstanding Common Shares.

### **Transferability**

Neither the DSUs nor any other rights or interests under the DSU Plan may be assigned or transferred by a participant under the DSU Plan except by a legal will or other testamentary dispositions, or according to applicable laws respecting the devolution of estates.

### **Amendments to the DSU Plan**

The DSU Plan provides that the Board of Directors may at any time, and from time to time, and without Shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or TSX requirement at the time of such amendment, including, without limitation:

- (a) for the purpose of making minor or technical modifications to any of the provisions of the DSU Plan including amendments of a "clerical" or "housekeeping" in nature;
- (b) to correct any ambiguity, defective provision, error or omission in the provisions of the DSU Plan;
- (c) amendments to the termination provisions;

- (d) amendments necessary or advisable because of any change in applicable securities laws;
- (e) amendments regarding the administration of this DSU Plan;
- (f) amendments necessary or advisable if any participant is resident outside of Canada; and
- (g) any other amendment, fundamental or otherwise, not requiring Shareholder approval under applicable laws or the rules of the TSX; provided however, that:
- (h) no such amendment of the DSU Plan may be made without the consent of each affected participant in the DSU Plan if such amendment would adversely affect the rights of such affected participant(s) under the DSU Plan;
- (i) no amendment shall be made unless it is such that the DSU Plan continuously meets the requirements of paragraph 6801(d) of the Regulations to the *Income Tax Act* (Canada) or any successor provision thereto; and
- (j) Shareholder approval shall be obtained in accordance with the requirements of the TSX for any amendment:
  - a. to increase the maximum number of DSUs that may be issued under the DSU Plan; or
  - b. to the amendment provision of the DSU Plan.

Due to the adoption of the Omnibus Plan, no further DSUs shall be awarded or credited under the DSU Plan. Any DSUs that remain outstanding in a Participant's account after June 23, 2023 shall continue to be dealt with in accordance with the terms of the DSU Plan. The DSU Plan shall terminate when all Common Shares issuable pursuant to the DSU Plan have been made and all DSUs have been cancelled in all Participants' account.

## Annual Burn Rate

The following table sets out the annual burn rate of options granted under the Option Plan and DSUs granted under the DSU Plan for the last three fiscal years. The annual burn rate is the number of securities granted under the applicable plan during the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year.

Plans	Burn Rate		
	2021	2022	2023
Omnibus Plan	Nil	Nil	0.1%
Option Plan	1.4%	1.4%	1.8%
DSU Plan	0.4%	0.4%	0.1%

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the current or former directors, executive officers or employees of the Corporation, proposed nominee for director, or associates or affiliates of a director or executive officer of the Corporation or proposed nominee for director, have been indebted to the Corporation or its subsidiaries at any time since the beginning of the last completed financial year of the Corporation, other than "routine indebtedness" as that term is defined in applicable securities legislation.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the current or proposed directors or executive officers of the Corporation, or any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation, or associates or affiliates of any of these persons, had any material interest, direct or indirect, in any transaction since January 1, 2023, or in any proposed transaction which, in either case, has materially affected or would materially affect the Corporation or its subsidiaries.

## CORPORATE GOVERNANCE

The Corporation is required to include disclosure of its corporate governance practices in this Circular in accordance with National Instrument 58-101, *Disclosure of Corporate Governance Practices* ("**Instrument**"). The Instrument has been adopted by the securities commissions or similar regulatory authorities across Canada ("**Canadian Securities Administrators**").

The Board of Directors endorses the efforts of the Canadian Securities Administrators in continuing the evolution of good corporate governance practices. The Board is committed to adhering to the highest standards in all aspects of its activities.

The corporate governance practices described below are subject to change as the Corporation evolves. The Board shall remain sensitive to corporate governance issues and shall continuously seek to set up the necessary measures, control mechanisms and structures to ensure an effective discharge of its responsibilities without creating additional overhead costs and reducing the return on Shareholders' equity.

### Board of Directors

The Board of Directors is currently comprised of eight directors and is proposed to be comprised of seven directors, a majority of whom are "independent" within the meaning of applicable securities legislation. An independent director is defined to be a director who has no direct or indirect relationship with the Corporation which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgement.

The independent directors nominated for re-election at the Meeting are Dr. Anna G. Biolik, T. Layton Croft, Kenneth W. MacDonald, Cameron McRae, David V. Mosher and Hedley Widdup. John P. Byrne, a current director, is also independent. Peter C. Akerley is the President and Chief Executive Officer of the Corporation and is therefore not considered independent.

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board of Directors to function independently of management. The current Chair of the Board, T. Layton Croft, is an independent director. The primary responsibility of the Chair of the Board is to provide leadership to the Board to enhance Board effectiveness. The Board has ultimate accountability for supervising management. Critical to satisfying this objective is fostering effective relationships between the Board, management, Shareholders and other stakeholders. The Chair of the Board, as the presiding member, is responsible for overseeing and ensuring that these relationships continue to be effective, efficient and in furtherance of the best interests of the Corporation.

The Board of Directors meets at least once each calendar quarter and following the annual meeting of Shareholders. Between the scheduled meetings, the Board of Directors meets as required. The frequency of the meetings and the nature of the meeting agendas are dependent on the nature of the business and affairs which the Corporation faces from time to time. The independent directors are given the opportunity to meet separately at the end of each meeting of the Board of Directors, but do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. Having considered the current size of the Board of Directors, the majority of independent directors on the Board of Directors and the experience of the independent directors with other reporting issuers, the Board of Directors believes that separate meetings of the independent directors provide sufficient leadership for the independent directors.

Management also communicates informally with the directors on a regular basis and solicits advice from members or advisors on matters falling within their special knowledge, experience or expertise. In addition, each of the Audit and Risk Management Committee, the Compensation Committee and the Corporate Governance and Disclosure Policy Committee are comprised only of independent directors.



The following directors of the Corporation are also directors of other reporting issuers:

Director	Name of Other Reporting Issuer
John P. Byrne	Morien Resources Corp. (TSX-V)
T. Layton Croft	Carolina Rush Corp. (TSX-V) Voltage Metals Corp. (CSE)
Cameron McRae	Kincora Copper Limited (TSX-V)
David V. Mosher	Pelangio Exploration Inc. (TSX-V)

There were six formal Board meetings in 2023. The attendance record of each of the directors at such meetings is as follows:

Director	Number of Meetings Attended/Number of Board Meetings in the Year When the Individual Was a Director
Peter C. Akerley	6/6
Dr. Anna G. Biolik	6/6
John P. Byrne	3/6
T. Layton Croft	6/6
Kenneth MacDonald	4/6
Cameron McRae	6/6
David V. Mosher	6/6
Hedley Widdup	6/6

In addition, certain of the decisions of the Board of Directors since January 1, 2023, were passed by way of written consent following discussions among the directors and management.

## Board Mandate

The Board of Directors is responsible for the stewardship of the Corporation through the supervision of the business and management of the Corporation. This mandate is accomplished directly and through five committees:

- (a) the Audit and Risk Management Committee
- (b) the Compensation Committee;
- (c) the Pre-Clearance Committee;
- (d) the Corporate Governance and Disclosure Policy Committee; and
- (e) the Technical Committee.

The Board of Directors remains committed to ensuring the long-term viability and profitability of the Corporation, as well as the well-being of its employees and of the communities in which it operates. The strategic planning and business objectives developed by management are submitted to and reviewed by the full Board of Directors, both on a formal annual basis and on an on-going basis through regular interim reports from management. The Board of Directors also works with management to identify principal risks, to select and assess senior management and to review significant operational and financial matters. The Board of Directors reviews and approves the annual audited financial statements, the annual report, the annual budget and changes thereto, management proxy information circulars, material press releases, annual management discussion and analysis, decisions as to material acquisitions not within the budget and the grant of stock options. The Board of Directors does not have a written mandate.

## Position Descriptions

The Board of Directors has five committees as noted above. The position descriptions for the chairs of each Board committee are contained in the charters for the committee. The chair of each of the Audit and Risk Management Committee, Compensation Committee and Corporate Governance and Disclosure Policy Committee is required to ensure that the committee meets regularly and performs its duties as set forth in the charter, and reports to the Board of Directors on the activities of the committee. The Pre-Clearance Committee and the Technical Committee meet as required.

Given the relatively small size of the Corporation, the Board of Directors does not believe that it is necessary at this time to formalize a position description for the chair of the Board of Directors. Given the relatively small size of the Corporation, the Board believes that to date, the role and responsibilities have been appropriately communicated through Board meetings and in the form of communications between the Board and T. Layton Croft, the Chair of the Board.

The Board has not developed a written position description for the CEO. However, the CEO is primarily responsible for the overall management of the business and affairs of the Corporation. The CEO recommends to the Board the strategic and operational priorities of the Corporation and provides leadership to the management team. The CEO is directly responsible to the Board for all of the Corporation's activities.

## Orientation and Continuing Education

Given the size and relative stability of the Board of Directors, there is no formal program for the orientation and education of new recruits to the Board of Directors. The Corporation does, however, ensure that all new directors receive a complete package with background as to the Corporation's business and outlining the securities law obligations and restrictions on members of the Board of Directors and the Corporation, as well as a copy of all of the Corporation's policies.

Continuing education helps Directors keep up to date on changing governance issues and requirements and legislation or regulations in their field of experience. The Board of Directors recognizes the importance of ongoing education for the Board of Directors and the need for each director to take personal responsibility for this process. To facilitate ongoing education, the Board of Directors may from time to time, as required:

- request that directors determine their training and education needs;
- arrange visits to the Corporation's projects or operations;
- arrange funding for the attendance by directors at seminars or conferences of interest and relevant to their position; and
- encourage participation or facilitate presentations by members of management or outside experts on matters of particular importance or emerging significance.

## Ethical Business Conduct

In March 2007, the Board of Directors adopted a formal Code of Business Conduct and Ethics ("**Code**") and expects each of its directors, officers and employees to adhere to the standards set forth in the Code, which was designed to deter wrongdoing and to promote (i) honest and ethical conduct, (ii) confidentiality of corporate information, (iii) avoidance of conflicts of interest, (iv) protection and proper use of corporate assets, (v) compliance with applicable governmental laws, rules and regulations, (vi) prompt internal reporting to appropriate persons of violations of the Code, (vii) accountability for adherence to the Code, and (viii) the Corporation's culture of honesty and accountability.

The Board of Directors does not intend to monitor compliance with the Code; however, a copy of the Code is provided to each director, officer and employee and such person is required to sign an acknowledgement form under which they agree to adhere to the standards set forth in the Code. A copy of the Code is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Code specifically addresses, among other things, conflicts of interest, confidentiality, compliance with laws, the reporting of unethical behaviour and the reporting of accounting irregularities. Any submission received by the Audit and Risk Management Committee pursuant to the provisions of the Code must be reviewed by the Audit and Risk Management Committee. The Audit and Risk Management Committee will then determine whether an investigation is appropriate. The Committee and/or management will promptly investigate such submission and record the results in writing. All submissions must be treated confidentially to every extent possible, and the Audit and Risk Management Committee and any outside counsel must not reveal the identity of any person who makes the submission and asks that his or her identity remain confidential. The Code specifically provides that any submission may be made without fear of dismissal, disciplinary action or retaliation of any kind.

The Board of Directors believes that the Corporation's size also facilitates informal review of and discussions with its officers and employees to promote ethical business conduct and to monitor compliance with the Code.

In addition, the Pre-Clearance Committee is responsible for pre-clearing trades in the Corporation's securities by the officers and directors of the Corporation, and members of their families who reside with them, in accordance with the Corporation's Pre-Clearance Policy.

Certain of the Corporation's directors serve as directors or officers of other reporting issuers or have significant shareholdings in other companies. To the extent that such other companies may participate in business ventures in which the Corporation may participate, the directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Board, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms and such director will not participate in negotiating and concluding terms of any proposed transaction. In addition, any director or officer who may have an interest in a transaction or agreement with the Corporation is required to disclose such interest and abstain from discussions and voting in respect to same if the interest is material or if required to do so by corporate or securities law.

### **Nomination of Directors**

The Board does not have a standalone nomination committee. Instead, Board nominees are identified by the Board from time to time and on an as-needed basis. In accordance with its mandate, the Corporate Governance and Disclosure Policy Committee reviews the qualifications of candidates for the Board of Directors and makes its recommendation to the Board of Directors regarding the slate of candidates for directors to be nominated for election by Shareholders at the annual general meeting of Shareholders. As noted above, the Corporate Governance and Disclosure Policy Committee is comprised of three independent directors, namely, Dr. Anna Biolik, John P. Byrne, and T. Layton Croft.

### **Diversity Policy for the Board and Executive Officers**

The Board adopted a diversity policy in 2015 (the "**Diversity Policy**") which sets forth the Corporation's approach to achieving and maintaining diversity on the Board and in executive officer positions. While the Corporation believes that nominations to the Board of Directors and appointments to executive officer positions should be based on merit, the objectives of the Diversity Policy are to recognize that diversity will support balanced debate which, in turn, will enhance decision making. The Corporation recognizes "diversity" as any dimension that can be used to differentiate groups and people from one another including gender, ethnicity, disability and geographical backgrounds.

In accordance with the Diversity Policy, the Corporate Governance and Disclosure Policy Committee will strive for inclusion of diverse groups, knowledge and viewpoints on the Board and in executive officer positions, including the representation of individuals who self-identify as women, Indigenous peoples, persons with disabilities and members of visible minorities (the "**Designated Groups**"). In conjunction with its consideration of the qualifications and experience of potential directors and executive officers, the Corporate Governance and Disclosure Policy Committee will consider the level of diversity on the Board when reviewing and recommending candidates for election or re-election to the Board and will consider the level of diversity in executive officer positions when the Board makes executive officer appointments. The Corporate Governance and Disclosure Policy Committee will be responsible for overseeing the preparation and adoption of criteria regarding composition of the Board and to develop recruitment protocols for directors to achieve the objectives of the Diversity Policy.

Board succession has been an area of focus since 2015 and is an area of continued evolution to ensure that the Board represents the breadth of experience, expertise and diversity necessary to oversee the Corporation's activities. The Corporation's goal of operational excellence, as a Board, is to strike a balance between fresh perspectives and institutional continuity to effectively meet the evolving needs of the Corporation from both a strategic and risk oversight perspective. Since 2015, the Corporation added six new directors as it planned for retirements. While only one of the six is a member of the Designated Group, the new Board members have years of mining and development experience as well as strong financial backgrounds.

The Corporate Governance and Disclosure Policy Committee periodically assesses the effectiveness of the nomination and appointment process and the effectiveness and implementation of the Diversity Policy by discussion of these items at committee meetings on an as-needed basis using information provided by management. The Corporate Governance and Disclosure Policy Committee reports updates regarding these items to the Board as appropriate.

The Board has not adopted targets regarding members of Designated Groups on the Board or in executive officer positions at this time. Due to the small size of the Board and the management team, and the early stage of the

Corporation's operations, the Board believes that the qualifications and experience of proposed new directors or executive officers should remain the primary consideration in the selection process.

As of the date hereof, the Corporation has eight (8) directors, seven (7) of whom are nominated for re-election, and five (5) members of senior management. One of the Corporation's eight directors (one of the seven director nominees) is a woman (12% of current directors and 14% of the directors nominated for re-election), and one of five members of senior management (20%) is a woman. None of the Corporation's directors (0%) and one member of senior management (20%) identify as a member of any other Designated Group.

### **Director Term Limits**

The Board does not have in place term limits for directors and has not adopted any other mechanisms for Board renewal at this time. Due to the small size of the Board and the stage of the Corporation's operations, the Board believes that the annual assessment conducted by the Corporate Governance and Disclosure Policy Committee is an effective framework for ensuring appropriate Board composition. Periodically, but at least once every 5 years, the Board shall consider the need for a renewal program intended to achieve what the Board believes to be a then desirable distribution of skills, age, gender and other distinctions and, if deemed necessary or desirable, embark upon a program to effect concomitant changes in Board composition.

### **Compensation Committee**

The mandate of the Compensation Committee is to review the performance, compensation and succession planning of the executive officers of the Corporation and to ensure the proper administration of the Option Plan. The Compensation Committee, in conjunction with the CEO, recommends to the Board of Directors the level of compensation to Board members based on a review of comparable public company businesses. This committee is also responsible to review and recommend all executive benefits plans and executive prerequisites for approval by the Board of Directors. The Compensation Committee generally meets twice a year.

The Compensation Committee presently consists of three directors, Messrs. MacDonald, Mosher and Widdup, all of whom are independent as that term is defined in National Instrument 52-110 - *Audit Committees* ("NI 52-110").

### **Audit and Risk Management Committee**

Information concerning the Corporation's Audit and Risk Management Committee is provided in the Corporation's annual information form ("AIF") for the year ended December 31, 2023, under the section entitled "Audit & Risk Management Committee". A copy of the AIF may be obtained from the Corporation's public disclosure documents found on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

The Audit and Risk Management Committee generally meets four times a year. The Audit and Risk Management Committee presently consists of four directors, Messrs. Byrne, Croft and MacDonald, and Dr. Biolik, all of whom are independent as that term is defined in NI 52-110.

### **Pre-Clearance Committee**

The Pre-Clearance Committee is responsible for pre-clearing trades in the Corporation's securities by the officers and directors of the Corporation, and members of their families who reside with them, in accordance with the Corporation's Pre-Clearance Policy.

The Pre-Clearance Committee responds to requests for approval to trade. The Pre-Clearance Committee is presently comprised of Messrs. Akerley and Jenkins.

### **Corporate Governance and Disclosure Policy Committee**

The Corporate Governance and Disclosure Policy Committee oversees all regulatory disclosure requirements and the Corporation's disclosure practices, including its Insider Trading Policy. This Committee is responsible to ensure that appropriate systems, processes and controls for disclosure are in place and to review all news releases and core disclosure documents before their release or filing.

The Corporate Governance and Disclosure Policy Committee generally meets once a year. The Corporate Governance and Disclosure Policy Committee presently consists of three directors, being Messrs. Byrne and Croft and Dr. Biolik, all of whom are independent as that term is defined in NI 52-110.

### **Technical Committee**

The Technical Committee assists management in reviewing technical matters relating to exploration, development, permitting, resources and reserves on mineral properties, as well as other technical and operational aspects of mining

activities before they are submitted to the Board of Directors. The Technical Committee presently consists of three directors, being Messrs. McRae, Akerley and Widdup (Chair), who individually have extensive experience in development, mining and minerals exploration. This committee meets as required.

### Other Board Committees

The Board of Directors may, from time to time, create new committees or establish ad hoc committees to address special business issues.

### Assessments

The Corporate Governance and Disclosure Policy Committee is responsible to oversee the development and implementation of a process for assessing the effectiveness of the Board, its size and composition and its committees. The assessment process is initiated annually by the Corporate Governance and Disclosure Policy Committee, which reports to the full Board, which then deals with any issues raised. In addition, without convening a special meeting for this purpose, the Board and each of the committees of the Board periodically performs an assessment exercise addressing its effectiveness, with input from Management. Also, every director is entitled to bring any matter to the Corporate Governance and Disclosure Policy Committee or to the Board of Directors.

## PROPOSALS BY SHAREHOLDERS

Pursuant to the *Canada Business Corporations Act*, resolutions intended to be presented by Shareholders for action at the next annual meeting must comply with the provisions of the *Canada Business Corporations Act* and be deposited at the Corporation's head office not later than Monday, March 24, 2025 in order to be included in the management information circular relating to the next annual meeting.

## ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the Corporation's comparative annual financial statements and management discussion & analysis ("MD&A") for its most recently completed financial year. To request copies of the Corporation's financial statements and MD&A, Shareholders should contact Darryn Broderick at Erdene Resource Development Corporation, Suite 1480, 99 Wyse Road, Dartmouth, Nova Scotia, B3A 4S5, Telephone (902) 423-6419, Email: [info@erdene.com](mailto:info@erdene.com). The financial statements and MD&A are also available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## APPROVAL OF CIRCULAR

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

Dated at Halifax, Nova Scotia, this 17<sup>th</sup> day of May, 2024.

*(signed) Peter C. Akerley*

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President and Chief Executive Officer