

**ALTAN RIO MINERALS LIMITED**

---

**INFORMATION CIRCULAR**  
**(Information as at September 14, 2021)**

---

**ALTAN RIO MINERALS LIMITED**  
**Suite 6, Level 2, 2 Richardson Street**  
**West Perth, WA, 6005, Australia**  
**Phone: +61 408850525**

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

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of shareholders of **ALTAN RIO MINERALS LIMITED** (the "**Company**") will be held at Suite 6, Level 2, 2 Richardson Street, West Perth, WA, 6005, Australia on October 20, 2021 at 9:00 a.m. (Perth time) for the following purposes:

1. TO receive the audited financial statements of the Company for the fiscal year ended December 31, 2020, together with the auditor's report thereon;
2. TO set the number of directors of the Company at five (5);
3. TO elect the board of directors of the Company for the ensuing year;
4. TO appoint BDO Audit (WA) Pty Ltd, Chartered Accountants, of 38 Station Street, Subiaco, WA, 6008, Australia, as the auditor of the Company to hold office until the close of the next annual general meeting of shareholders of the Company, and to authorize the directors of the Company to fix the auditor's remuneration;
5. TO consider, and if thought advisable, to approve an ordinary resolution ratifying, confirming and approving the Company's existing 10% rolling stock option plan, subject to regulatory approval, as more particularly described in the management information circular of the Company dated September 14, 2021 (the "**Circular**");
6. TO consider, and if thought advisable, to approve an ordinary resolution approving an amendment of the Company's articles such that the existing articles be replaced in their entirety with the form of articles set out in Schedule "B" of the Circular, as more particularly described in the Circular; and
7. TO consider, and if thought advisable, on a disinterested voting basis, to approve an ordinary resolution approving the adoption of a new Equity Incentive Plan in the form set out in Schedule "C" of the Circular, as more particularly described in the Circular.

In addition, shareholders will be asked to consider any amendment or variation of a matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit their duly executed form of proxy with Computershare Investor Services Inc., at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 not later than 6:00 p.m. (Toronto time) on October 15, 2021 or 9:00 a.m. (Perth time) on October 18, 2021 (as applicable), or, if the meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person are requested to date, complete, sign and return the enclosed form of proxy or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

**DATED** at Perth, Western Australia, this 14<sup>th</sup> day of September, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF THE COMPANY**

*"Paul Stephen"*

\_\_\_\_\_

**Paul Stephen**

**Chief Executive Officer, Corporate Secretary and Director**

## TABLE OF CONTENTS

<b>ALTAN RIO MINERALS LIMITED</b> .....	<b>1</b>
<b>INFORMATION CIRCULAR</b> .....	<b>1</b>
<b>SOLICITATION OF PROXIES</b> .....	<b>1</b>
<b>PERSONS OR COMPANIES MAKING THE SOLICITATION</b> .....	<b>1</b>
<b>APPOINTMENT AND REVOCATION OF PROXIES</b> .....	<b>1</b>
<b>VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES</b> .....	<b>2</b>
<b>ADVICE TO BENEFICIAL HOLDERS OF SHARES</b> .....	<b>2</b>
<b>VOTING SHARES AND PRINCIPAL HOLDERS THEREOF</b> .....	<b>3</b>
<b>INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON</b> .....	<b>3</b>
<b>INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS</b> .....	<b>3</b>
<b>STATEMENT OF EXECUTIVE COMPENSATION</b> .....	<b>4</b>
<b>CORPORATE GOVERNANCE</b> .....	<b>9</b>
<b>SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS</b> .....	<b>11</b>
<b>INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS</b> .....	<b>11</b>
<b>AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR</b> .....	<b>11</b>
<b>PARTICULARS OF MATTERS TO BE ACTED UPON</b> .....	<b>13</b>
Number of Directors .....	13
Election of Directors .....	14
Appointment of Auditor.....	16
Re-Approval of Existing Stock Option Plan .....	16
Approval of New Articles .....	18
Adoption of New Equity Incentive Plan .....	21
<b>ADDITIONAL INFORMATION</b> .....	<b>26</b>
<b>BOARD APPROVAL</b> .....	<b>26</b>
<b>SCHEDULE A</b>	<b>AUDIT COMMITTEE CHARTER</b>
<b>SCHEDULE B</b>	<b>NEW ARTICLES</b>
<b>SCHEDULE C</b>	<b>EQUITY INCENTIVE PLAN</b>
<b>SCHEDULE D</b>	<b>REPORTING PACKAGE</b>

**ALTAN RIO MINERALS LIMITED**  
**INFORMATION CIRCULAR**  
**FOR THE OCTOBER 20, 2021**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Unless otherwise specified herein, this information is given as of September 14, 2021.

**SOLICITATION OF PROXIES**

This information circular (this "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **Altan Rio Minerals Limited** (the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

**APPOINTMENT AND REVOCATION OF PROXIES**

**The persons named in the accompanying instrument of proxy are directors or officers of the Company. A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Computershare Investor Services Inc., at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, not later than 6:00 p.m. (Toronto time) on October 15, 2021 or 9:00 a.m. (Perth time) on October 18, 2021 (as applicable), or, if the meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.**

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

### **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

### **ADVICE TO BENEFICIAL HOLDERS OF SHARES**

The information set forth in this section is of significant importance to many shareholders who do not hold their shares in their own name. Only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of shares can be recognized and acted upon at the Meeting. If shares are listed in your account statement provided by your broker, then in almost all cases those shares will not be registered in your name on the Company's records. Such shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depositary for Securities Limited, which acts as nominee for many Canadian brokerage firms. Shares registered in the name of your broker or its nominee can only be voted by the broker or nominee, and can only be voted by them in accordance with your written instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of a shareholders' meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the Meeting. In some cases, a form of proxy is supplied by your broker that is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to other parties, who mail a scannable Voting Instruction Form in lieu of the form of proxy provided by the Company. The Voting Instruction Form will name the same persons as the proxy to represent the shareholder at the Meeting. A shareholder has the right to appoint a person (who need not be a shareholder of the Company) other than the persons designated in the Voting Instruction Form, to represent the shareholder at the Meeting. To

exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the Voting Instruction Form. You are asked to complete and return the Voting Instruction Form by mail or facsimile. Alternately, you can provide your voting instructions by telephone or internet by following the instructions contained in the Voting Instruction Form. The results of all voting instructions received are tabulated, and appropriate instructions are provided respecting the voting of shares to be represented at the Meeting. If you receive a Voting Instruction Form, it cannot be used as a proxy to vote shares directly at the Meeting. It must be returned in accordance with the instructions therein well in advance of the Meeting in order to have the shares voted, or to appoint an alternative representative to attend at the Meeting in person to vote such shares.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

On September 14, 2021, 95,995,161 common shares without par value were issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person has one vote and, on a poll, every shareholder has one vote for each share of which he is the holder.

Only shareholders of record at the close of business on September 14, 2021 who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "**Appointment and Revocation of Proxies**" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, only the following beneficially own, or control or direct, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company:

<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Outstanding</b>
John L.C. Jones	18,297,210 <sup>(1)</sup>	19.06%

<sup>(1)</sup> 9,553,000 of these shares are registered in the name of Surveyor Resources Pty Ltd.

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

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

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

No informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

### STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

**"Board"** means the board of directors of the Company;

**"CEO"** of the Company means each individual who served as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

**"CFO"** of the Company means each individual who served as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

**"executive officer"** of the Company means an individual who is the Chairman or Vice-Chairman of the Board, the President, a Vice-President in charge of a principal business unit, division or function including sales, finance or production, or an individual performing a policy-making function in respect of the Company;

**"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**"incentive plan award"** means compensation awarded, earned, paid, or payable under an incentive plan; and

**"Named Executive Officers"** means:

- (a) each CEO;
- (b) each CFO;
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in prescribed manner, for that financial year; and



- (d) each individual who would have been included under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

## Compensation Discussion and Analysis

The primary objectives of the Company's compensation strategy are, (i) to provide fair compensation to the Company's executive officers, in light of their qualifications, experience and duties with the Company and compensation received by their industry peers, (ii) to provide incentive to executive officers to sustain and improve corporate performance, and (iii) generally to align the interests of the executive officers and senior employees with those of the Company's shareholders. The strategy is also intended to ensure that the Company has in place programs to attract, retain and develop management of a high caliber and provide a process for the orderly succession of management.

The process for determining executive compensation is straightforward. Compensation is discussed and awarded by the Board without reference to any specific pre-determined goals, benchmarks or other criteria. As the Company's Chief Executive Officer is a member of the Company's Board, executive officers have a degree of input into compensation issues considered by the Board. The primary goal in making specific compensation awards is to reward performance, both individually and corporately, and to provide incentive for future performance.

In keeping with the relatively simple compensation structure adopted by most venture issuers, the Company's executive compensation has two primary components, cash compensation and incentive stock options. Cash compensation is given only to the Company's Chief Executive Officer and Chief Financial Officer, and is determined by the Board. The primary goal in setting cash compensation is to provide sufficient compensation to motivate the recipient to continue with the Company. Otherwise, cash compensation is determined primarily on an *ad hoc* basis for both incumbent executive officers and new hires. The amounts paid to Named Executive Officers for the year ended December 31, 2020 as disclosed in the Summary Compensation Table below, were considered appropriate in meeting the Company's compensation objectives for the year. It is anticipated that the Company's future compensation awards will continue to be influenced by the objectives of the Company to reward performance and provide incentive, set forth in the foregoing.

Stock options are awarded by the Board on an *ad hoc* basis and are weighted more towards the incentive element of the Company's compensation strategy. The Company considers the use of stock options to be significant in attracting, motivating and retaining employees at all levels. The Company has adopted a formal stock option plan under which specific option grants are made. In making specific grants to individuals, a number of factors are considered including, but not limited to (i) the number of options already held by the individual, (ii) a fair balance between the number of options held by the individual and the other executives and employees of the Company, in light of their respective duties and responsibilities, and (iii) the value of the options as a component of the individual's overall compensation package. Total awards are also limited by the number of options available for grant from time to time under the Company's stock option plan. Options awarded to a specific director are not voted on by that director.

## Summary Compensation Table

The following table contains information about the compensation paid to, or earned by, the Named Executive Officers and Directors during the financial years ended December 31, 2020 and December 31, 2019:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Paul Stephen <i>CEO, Corporate Secretary, Director</i>	2020 2019	221,577 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	221,577 Nil
Anthony Jackson <i>CFO</i> <sup>(1)</sup>	2020 2019	16,000 <sup>(2)</sup> 48,000 <sup>(2)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	16,000 48,000
Bob Williams <i>CFO</i> <sup>(1)</sup>	2020	18,000	Nil	Nil	Nil	Nil	18,000
John L.C. Jones <i>Director</i>	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Evan Jones <i>Director</i>	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Kerry Griffin <i>Director</i>	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
James Harris <i>Director</i>	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

(1) Mr. Jackson resigned as CFO of the Company effective April 24, 2020 with Mr. Bob Williams being appointed CFO of the Company.

(2) Mr. Jackson's fees for his services provided a CFO was paid to BridgeMark Financial Corp., a related party with a director and officer in common.

## Stock options and other compensation securities

The following table sets forth details of all stock options and other compensation securities awarded to each Named Executive Officer and director of the Company during the most recently completed financial year:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Paul Stephen <i>CEO/Corporate Secretary, Director</i>	Common Share (Incentive Stock Options) <sup>(1)</sup>	2,000,000	June 26, 2020	\$0.09	\$0.08	\$0.15	June 26, 2024
Bob Williams <i>CFO</i>	Common Share (Incentive Stock Options) <sup>(1)</sup>	500,000	June 26, 2020	\$0.09	\$0.08	\$0.15	June 26, 2024
James Harris <i>Director</i>	Common Share (Incentive Stock Options) <sup>(1)</sup>	500,000	June 26, 2020	\$0.09	\$0.08	\$0.15	June 26, 2024
Kerry Griffin <i>Director</i>	Common Share (Incentive Stock Options) <sup>(1)</sup>	500,000	June 26, 2020	\$0.09	\$0.08	\$0.15	June 26, 2024

(1) As of the close of business on the expiry date(s) set forth above, any stock options that remain unexercised will expire and be of no further force or effect. Notwithstanding any other term of the Existing Plan, the stock options shall expire 90 days following the optionee ceasing to be a director, officer, employee or consultant of the Company unless the optionee is terminated for cause, in which case the stock options shall expire upon such termination.

No Named Executive Officer or director of the Company exercised any compensation securities during the most recently completed financial year.

## Director Compensation

Non-executive directors may be compensated by director's fees in cash if approved by the Board and management of the Company. The granting of incentive stock options provides a link between director compensation and the price of the Company's common shares. Stock options may be awarded to directors when they are first elected by shareholders or appointed by the Board and periodically thereafter. In making a determination as to whether a grant of long-term incentive stock options is appropriate, and if so, the number of options that should be granted, the Board as a whole gives consideration to: (i) the number and terms of outstanding incentive stock options held by the director; (ii) current and expected future contributions of the director; (iii) the potential dilution to shareholders and the cost to the Company; (iv) general industry standards; and (v) the limits imposed by the terms of the Existing Plan. The Company currently considers the granting of incentive stock options to be the best method of compensating directors as it allows the Company to reward each director's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. If the new Equity Incentive Plan is approved by Shareholders at the Meeting and is subsequently made effective by the Board, directors may receive stock options or performance rights as compensation under the Equity Incentive Plan. See "*Particulars of Matters to*

*be Acted Upon – Approval of New Equity Incentive Plan".*

## **Narrative Discussion**

### *Stock Option Plan*

The stock option plan, dated January 23, 2012, originally received approval from the Company's directors on January 23, 2012 and was most recently approved by shareholders on August 5, 2020 (the "**Existing Plan**"). Under the Existing Plan, the Board is authorized to grant incentive stock options to certain directors, senior officers, employees and consultants of the Company entitling them to purchase common shares. The purpose of the Existing Plan is to attract and retain employees, consultants, officers or directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Existing Plan to purchase shares.

The Board periodically reviews (such review to be performed at least annually) the status of the Company's equity incentive plans and is responsible for setting and amending any equity incentive plans and individual grants, such as stock option grants, under any equity incentive plan. When considering new stock option grants to directors, officers and consultants, the Board takes into consideration previous grants made as well as the number of shares reserved for issuance under the Existing Plan.

On September 3, 2021, the Board approved the Equity Incentive Plan. If the Equity Incentive Plan is approved by Shareholders at the Meeting and is subsequently made effective by the Board, the Company will no longer issue stock options under the terms of the Existing Plan and will instead be authorized to grant stock options and performance rights to certain directors, senior officers, employees and consultants of the Company pursuant to the terms of the Equity Incentive Plan. See "*Particulars of Matters to be Acted Upon – Approval of New Equity Incentive Plan*".

## **Employment, consulting and management agreements**

The Company had no employment contracts with any of its Named Executive Officers for the financial year ended December 31, 2020.

Pursuant to a consulting agreement (the "**BridgeMark Agreement**") dated May 1, 2013, between the Company and BridgeMark Financial Corp. ("**BridgeMark**"), a company controlled by the current CFO of the Company, the Company paid BridgeMark a monthly fee of \$4,000 per month. The term of the agreement is year to year in which BridgeMark or the Company may terminate the contract for any reason by giving 30 days written notice prior to the beginning of the following financial year. The BridgeMark Agreement was mutually terminated by the Company and BridgeMark effective April 30, 2020.

## **Termination and Change of Control Benefits**

None.

## **Pension Plan Benefits**

No pension or retirement benefit plans have been instituted by the Company and none are proposed at this time.

## CORPORATE GOVERNANCE

### General

"**Corporate Governance**" refers to the process and structure used to direct and manage the business and affairs of a corporation. The objective is to enhance shareholder value, including ensuring the financial viability of the business. Corporate governance processes and structures define the division of power among the shareholders, the Board and management, and establish ways to ensure accountability. They also take into account how the direction and management of the business will affect other stakeholders such as employees, customers, suppliers and communities.

The Canadian Securities Administrators have adopted two National Instruments, 58-201 *Corporate Governance Guidelines* ("**NI 58-201**") and 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

NI 58-201 sets forth a set of guidelines or "best practices" for reporting issuers to consider when evaluating their own corporate governance practices. Recognizing that not all of the guidelines set forth in NI 58-201 will be appropriate for all companies, full implementation of the guidelines is not mandated by either NI 58-201 or the TSX Venture Exchange (the "**TSXV**"). NI 58-101 mandates the disclosure of the corporate governance practices actually implemented by a reporting company, in certain prescribed disclosure documents.

As the business of the Company is straightforward, the Company is at an early stage of development and its Board is relatively small, the Company's Corporate Governance practices are at an early stage of evolution. The following describes the Company's approach to corporate governance, in compliance with NI 58-101.

### Board of Directors

The Company's Board currently consists of a total of five directors, John L.C. Jones, Evan Jones, Kerry Griffin, Paul Stephen and James Harris. Paul Stephen is not independent in that he is the Chief Executive Officer of the Company. Evan Jones is not independent as he has served as Chief Executive Officer of the Company within the last three years. John L.C. Jones is not independent as he is an immediate family member of Evan Jones. Kerry Griffin and James Harris are independent directors.

In carrying out its responsibilities, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company and its shareholders.

### Directorships

Evan Jones is a director of Altan Nevada Minerals Limited, listed on the TSXV.

John L.C. Jones is a director of Troy Resources Limited, listed on the ASX, Anglo Australian Resources NL, listed on the ASX, and Altan Nevada Minerals Limited, listed on the TSXV.

Paul Stephen is a director of Altan Nevada Minerals Limited, listed on the TSXV.

## **Orientation and Continuing Education**

Although the Company does not have a formal orientation process for new members of the Board, the Company orients and educates new Board members by providing background information, conducting personal meetings and responding to questions during the early stages of a new Board member's involvement with the Company.

While the Company does not have a formal process of continuing education for directors, the Company expects existing and new Board members to have a familiarity with the business of minerals exploration and development. Professional advisors may be invited to attend Board meetings, as needed. The Company also relies on the relatively straightforward nature of its business, and the established qualifications and expertise of its Board members.

## **Ethical Business Conduct**

On August 30, 2021, the Board adopted a Code of Ethics and Business Conduct (the "**Code**") which summarizes the standards of business conduct that must guide the actions of all of the directors, officers and employees of the Company. The Code applies to all directors, officers, and employees of the Company and may also apply to certain contractors. The Code is meant to ensure that the directors, officers, employees and consultants (when applicable) conduct the Company's business and affairs honestly and with integrity, use high ethical standards, and deal fairly and professionally with the Company's security holders, customers, suppliers, competitors and employees. A copy of the Code is available on the Company's website at [www.altanrio.com](http://www.altanrio.com).

## **Board Mandate**

On August 30, 2021, the Board adopted a Board Mandate which summarizes the Board's responsibilities with respect to its stewardship and general supervision of the management of the business and affairs of the Company in order to create enduring and sustainable shareholder value. The Board seeks to discharge such responsibilities by reviewing, discussing and approving the Company's strategic plans and organizational structure, and by supervising management to oversee that the strategic planning and organizational structure, and to enhance and preserve the business of the Company and its underlying value. A copy of the Board Mandate is available on the Company's website at [www.altanrio.com](http://www.altanrio.com).

## **Nomination of Directors**

The Board does not have a nominating committee to identify new candidates for Board nomination. Potential candidates for appointment to the Board are considered by the entire Board.

## **Compensation**

The Board does not have a compensation committee. The whole Board reviews the compensation paid to management and directors. Further particulars concerning the compensation of the Company's directors and officers are set forth under the heading "**Compensation Discussion and Analysis**".

## **Other Board Committees**

The Board has no committees other than its Audit Committee.

## Assessments

The Board has no specific procedures for regularly assessing the effectiveness and contribution of the Board, its committees or individual directors. As the business of the Company is relatively straightforward and its Board relatively small, it is expected that a significant lack of performance on the part of a committee member or individual director would be readily apparent, and could be dealt with on a case-by-case basis. With respect to the Board as a whole, the Board monitors its performance on an on-going basis, and, as part of process, considers the overall performance of the Company and input from its officers and shareholders.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company's compensation plans under which equity securities of the Company are authorized for issuance at the end of the Company's most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by securityholders	5,700,000	\$0.12	2,792,920
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>			

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following.

The Company's Audit Committee is governed by an Audit Committee Charter. A copy of the Audit Committee Charter is attached as Schedule "A" to this Information Circular.

The Company's current Audit Committee is comprised of Paul Stephen, Kerry Griffin and James Harris. As defined in NI 52-110, Paul Stephen is not "independent" and Kerry Griffin and James

Harris are "independent". As defined in NI 52-110, all of the Audit Committee members are "financially literate". The experience of the Audit Committee members is set forth in the following.

**Paul Stephen, CEO, Corporate Secretary and Director**

Mr. Stephen has a Bachelor of Commerce degree from the University of Western Australia and is a member of the Australian Institute of Company Directors. He has held directorships across both ASX and London publicly listed companies and has a strong knowledge of operations and compliance across multiple jurisdictions. Mr. Stephen, co-founder and executive director of Crusader Resources Ltd., oversaw the discovery, development and operations of the Posse Iron Ore mine in Brazil. In addition, Mr. Stephen managed the discovery and delineation of over 2.6 million ounces of gold whilst operating in Brazil resulting in the company being valued at over \$160M. Mr. Stephen has extensive operational experience in mine site servicing and contracting as a founder and Managing Director of Integrated Fuel Services, a West Australian company, specializing in providing fuel services to mining and aviation throughout Western Australia.

**James Harris, Director (independent)**

Mr. Harris is an experienced executive in the management of construction and engineering projects in Australia and overseas. He is an Executive Director of Swanline Developments Pty Ltd., a privately owned Australian company focused property development and investment, project management and business investment. Mr. Harris has worked for 10 years for both Alcoa of Australia Ltd., which operates one of the world's largest integrated bauxite mining, alumina refining and aluminum smelting systems, and the United Group Limited, an Australian engineering company. Mr. Harris has been the non-executive Chairman of Integrated Project Solutions Pty Ltd., an Australian design and construction management provider, a non-executive director of Hagglunds Drives Pty Ltd. and a non-executive director Biodiesel Producers Ltd. Mr. Harris is the former Managing Director and Chairman of Silver Swan Group Ltd. and was a non-executive director of Caravel Minerals Limited. Mr. Harris is a Fellow of the Australian Institute of Company Directors. Mr. Harris's qualifications are in Legal Studies and Public Administration.

**Kerry Griffin, Director (independent)**

Mr Griffin has over 25 years' experience in mining geology, resource development and exploration in Australia, Africa, South/Central America, Central and SE Asia including more than 20 years' experience in senior, management, and corporate positions. He has had extensive hands-on experience in corporate development, mining, mine geology, mine development and management, designing and managing large scale exploration and resource drilling programs, resource modelling and estimation, the management and training of geological/technical teams including multiple international teams of differing cultural backgrounds. Mr Griffin received his undergraduate degree in 1993 and post graduate diploma in 1994 from the University of Canterbury, New Zealand. He is a member of the Australian Institute of Geoscientists and the Society of Economic Geologists. He is a Competent Person under JORC and a Qualified Person for NI 43-101 reporting.

**Narrative**

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

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. NI 52-110 provides that the Audit Committee must pre-approve all non-audit services to be provided by the Company's



auditor. Section 2.4 provides an exemption from this requirement where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

No specific policies or procedures have been adopted with respect to the provision of non-audit services by the Company's external auditor, although under the Company's Audit Committee Charter, such services are required to be pre-approved by the Audit Committee, unless exempted under NI 52-110.

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

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

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees<sup>(1)</sup></b>	<b>All Other Fees</b>
December 31, 2020	\$47,826	Nil	Nil	Nil
December 31, 2019	\$12,500	Nil	Nil	Nil

(1) Fees incurred for the preparation and filing of tax returns.

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

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

### **Number of Directors**

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at **FIVE** (5), subject to such increase as may be permitted by the articles of the Company. In connection with shareholder approval for setting the number of directors of the Company, management will place the following proposed resolution before the shareholders at the Meeting for their consideration:

"**BE IT RESOLVED**, as an ordinary resolution, that the number of directors of the Company be set at five."

The persons named in the accompanying proxy instrument (if named and absent contrary directions) intend to vote the shares represented thereby **FOR** the resolution fixing the number of directors of the Company at five.

## Election of Directors

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names and residences of the persons proposed to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations and the number of shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation	Director Since	Number of Shares Beneficially Owned, Controlled or Directed
<b>JOHN L. C. JONES</b> Western Australia, Australia Director, Chairman	Chairman and director of the Company, 2011-present; director of Troy Resources Limited, a mining company listed on the ASX, 2008-present; Chairman of Anglo Australian Resources NL, a public mining company listed on the ASX, 1990-present; Chairman and director of Altan Nevada Minerals Limited, a mineral exploration company listed on the TSXV, 2011-present.	December 2011	18,297,210
<b>EVAN JONES</b> Cebu, Philippines Director	Chief Sales Director, RISE; Director of the Company, 2011-present; Director of Altan Nevada Minerals Limited, a mineral exploration company listed on the TSXV, 2011-present;	September 2011	4,677,720
<b>KERRY GRIFFIN<sup>(1)(2)</sup></b> Western Australia, Australia Director	Principal Geology Consultant, Mining Plus, 2018-present; Director of the Company, 2014-present; VP Exploration, Westminster Resources Ltd., 2018-present.	December 2013	Nil
<b>PAUL STEPHEN<sup>(1)</sup></b> Western Australia, Australia CEO, Corporate Secretary, Director	CEO and director of the Company, 2019-present; CEO and director of Altan Nevada Minerals Limited, a mineral exploration company listed on the TSXV, 2019-present.	May 2019	Nil
<b>JAMES HARRIS<sup>(1)(2)</sup></b> Western Australia, Australia Director	Director of the Company, 2019-present; Executive Director of Swanline Developments Pty Ltd., a privately owned Australian company focused on property development and investment, project management and business investment.	November 2019	Nil

(1) Member of the Audit Committee.

(2) Denotes independent director.

Other than as set out below, to the knowledge of the Company, no proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or;
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer.

For the purposes of the foregoing, "**order**" means:

- (a) a cease trade order, including a management cease trade order whether or not the proposed director was named in the order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation

#### *Cease Trade Order*

The Company was subject to a cease trade order (the "**CTO**") issued by the British Columbia Securities Commission ("**BCSC**") for failure to file the Company's audited financial statements and management's discussion and analysis for the financial year ended December 31, 2020 and related certifications (collectively, the "**Financial Statements**") by the prescribed date under applicable securities laws. The CTO was revoked by the BCSC on June 4, 2021 following the filing of the Financial Statements by the Company with the applicable regulatory authorities.

No proposed director of the Company is, at the date of this Information circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within one 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.

No proposed director of the Company or personal holding company of a proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company or personal holding company of a proposed director has been subject to:

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

The above information was provided by management of the Company.

## Appointment of Auditor

At the request of the Company, on August 12, 2021, Davidson & Company LLP, Chartered Accountants ("**D&C**") resigned as auditors of the Company. On August 12, 2021, the Board approved the appointment of BDO Audit (WA) Pty Ltd, Chartered Accountants ("**BDO**"), located at 38 Station Street, Subiaco, WA, 6008, Australia, as the auditors of the Company. In this regard, in order to comply with National Instrument 51-102 - *Continuous Disclosure Obligations*, a copy of the Notice of Change of Auditor prepared in respect of the resignation of D&C and the appointment of BDO, the response letter of D&C and the response letter of BDO (collectively, the "**Reporting Package**") were reviewed by the Board and have been attached as Schedule "D" to this Circular. A copy of the Reporting Package has also been filed with the applicable securities regulatory authorities.

At the Meeting, shareholders will be asked to pass an ordinary resolution authorizing the appointment of BDO as the Company's auditors to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the auditors' remuneration. The appointment of BDO as auditors of the Company and the authorization of the Board to fix their remuneration must be approved by a majority of the votes cast at the Meeting.

The persons named in the accompanying proxy instrument (if named and absent contrary directions) intend to vote the shares represented thereby **FOR** the resolution appointing BDO as auditors of the Company for the ensuing year and to authorize the directors to fix BDO's remuneration and the terms of their engagement.

## Re-Approval of Existing Stock Option Plan

At the previous Annual General Meeting, the shareholders approved the Existing Plan enabling the directors to grant options to employees, directors and officers of the Company and persons providing ongoing services to the Company. The policies of the TSXV state that rolling plans, such as the Existing Plan, must receive shareholder approval upon initial adoption and thereafter yearly at the Company's Annual General Meeting. Accordingly, shareholders will be asked to approve the Existing Plan at the Meeting. The Existing Plan complies with the policies of the TSXV regarding share incentive arrangements.

As set out in more detail below, at the Meeting, shareholders will also be asked to approve the Equity Incentive Plan which will become effective at such later time as determined by the Board. If the Equity Incentive Plan does become effective, the Company will no longer issue options under the Existing Plan and the Existing Plan will be terminated once all existing options issued thereunder are exercised, expire or are otherwise terminated. See "*Particulars of Matters to be Acted Upon – Approval of New Equity Incentive Plan*".

The purpose of the Existing Plan is to attract, retain and motivate management, staff, consultants and other qualified individuals by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth. The options are non-assignable and may be granted for a term not exceeding that permitted by the TSXV, currently ten years. Other material aspects of the Existing Plan are as follows:

1. the Existing Plan is administered by the Board or, if the Board so designates, a committee of the Board appointed in accordance with the Existing Plan to administer the Existing Plan;
2. the maximum number of shares in respect of which options may be outstanding under the Existing Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company (the "**Outstanding Shares**") at that time;

3. upon an optionee ceasing to hold any position with the Company which would qualify a person to receive an option under the terms of the Existing Plan, the optionee's option shall terminate upon the expiry of such reasonable period of time following termination, not to exceed twelve months, as has been fixed by the Existing Plan administrator. Also, an option granted under the Existing Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option which would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
4. as long as required by TSXV policy, no one individual may receive options on more than 5% of the Outstanding Shares in any 12 month period, the insiders as a group may not receive options on a number of shares exceeding 10% of the Outstanding Shares in any 12 month period, no one consultant may receive options on more than 2% of the Outstanding Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period and must vest in stages over a minimum period of 12 months;
5. the exercise price of options is subject to the discretion of the Existing Plan administrator, provided however that options may not be granted at prices that are less than the Discounted Market Price as defined in TSXV policies. Discounted Market Price generally means, subject to certain exceptions, the most recent closing price of the Company's shares on the TSXV, less a discount of from 15% to 25% depending on the trading value of the Company's shares;
6. any amendment of the terms of an option shall be subject to any required regulatory and shareholder approvals; and
7. options granted under the Existing Plan are not assignable, negotiable or otherwise transferable other than by will or the laws of descent and distribution and, subject to the terms of the Existing Plan, are exercisable only by the optionee and his legal heirs or personal representatives.

The Existing Plan does not provide for any financial assistance or support to be provided to optionees by the Company or any affiliated entity of the Company to facilitate the purchase of shares under the Existing Plan.

The full text of the Existing Plan may be viewed in advance of the Meeting at the Company's registered and records office at Suite 1700 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, or by requesting a copy of the Existing Plan from the Company by contacting Corporate Secretary by mail at Suite 6, Level 2, 2 Richardson Street, West Perth, WA 6005 or by email at [info@altanrio.com](mailto:info@altanrio.com).

In connection with shareholder approval of the Existing Plan, management will place the following proposed resolution before the shareholders for their consideration:

**"BE IT RESOLVED**, as an ordinary resolution, that the Company's 10% rolling stock option plan is ratified, confirmed and approved, including the reserving for issuance under the stock option plan (and all other security-based compensation arrangements of the Company) at any time of a maximum of 10% of the issued and outstanding common shares of the Company, subject to regulatory approval, all as more particularly described in the Company's information circular dated September 14, 2021."

## Approval of New Articles

The current Articles (the "**Previous Articles**") of the Company were first implemented on December 20, 2010. The Previous Articles do not reflect up-to-date alignment with the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), other applicable laws, best practices in corporate governance or the evolution of the Company. Further, as the Company's management and most significant projects, including the Southern Cross North Project, Hopes Hill and Corinthia North, are all located in Australia, the Company may consider a potential future listing on the Australian Stock Exchange (the "**ASX**"). Shareholders should be cautioned, however, that such ASX listing may never be applied for or achieved by the Company. As such, new articles of the Company (the "**New Articles**"), approved by the Board on September 3, 2021 have been proposed to improve alignment with the BCBCA, the listing rules of the ASX (the "**ASX Listing Rules**") which are applicable to the Company if it is admitted to the Official List (as defined below), other applicable laws and prevailing market standards for corporate governance in both Canada and Australia.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the New Articles. The below is a summary of certain of the key provisions of the New Articles when compared with the Previous Articles. This summary is qualified in its entirety by the Previous Articles, a copy of which is available upon request from the Company (by email: [info@altanrio.com](mailto:info@altanrio.com)), and the New Articles, a copy of which is attached hereto as Schedule "B":

- (a) the New Articles expressly permit the usage of electronic signatures to sign any document contemplated therein, subject to applicable laws, including any requirement for a manual signature;
- (b) the New Articles provide that the Company may refuse to register more than three persons as joint holders of a share;
- (c) the New Articles include conditions of issue, which set out that a share may not be issued until it is fully paid via past services performed for the Company, property, or money, and the value of such consideration equals or exceeds the issue price set for the share;
- (d) the New Articles specify limitations on the rights of holders of fractional shares;
- (e) certain sections of the New Articles, including the disposal of Restricted Securities in compliance with ASX Listing Rules, will only apply if the Company is admitted to the official list of the ASX (the "**Official List**");
- (f) the New Articles set out certain circumstances in which, while the Company is included in the Official List, the Company may sell the shares of a shareholder where the number of those shares is less than a Marketable Parcel (as defined in the ASX Listing Rules);
- (g) the New Articles specifically require that all the preconditions for a transfer of a share under the *Securities Transfer Act* (British Columbia) must be met for a transfer of a share to be recorded or registered. However, the New Articles also provide that the Company may waive any of those requirements for transfer;
- (h) the New Articles prohibit the Company from making any payment or providing any consideration to purchase, redeem or acquire its shares if there are reasonable grounds for believing that the Company is insolvent, or making such payment or providing such consideration would render the Company insolvent;

- (i) the New Articles provide that if the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but while such share is held by the Company, it may not vote the share at a meeting of shareholders, pay a dividend in respect of the share, or make any other distribution in respect of the share;
- (j) the New Articles expressly provide that the powers of the directors of the Company, as set out therein, may be exercised by a committee or other delegate of the board authorized to exercise such powers;
- (k) the New Articles change the approvals required to alter the share structure of the Company. The Previous Articles provide that certain alterations to the share structure of the Company, including (i) the creation of a class or series of shares or the elimination of a class or series of shares if no such shares are allotted or issued; (ii) establishing, increasing, reducing, or eliminating the maximum number that the Company is authorized to issue of a class or series of shares; (iii) altering par value of shares, (iv) changing all or any of its shares with par value into shares without par value or any of its unissued shares without par value into shares with par value; (v) altering the identifying name of any of its shares; or (vi) otherwise altering its shares or authorized share structure when required or permitted to do so by the BCBCA may be authorized by a director's resolution or ordinary resolution of the shareholders, except for (vi), which may only be authorized by ordinary resolution. The New Articles now provide that all of the changes listed from (i) to (vi) must be authorized by special resolution;
- (l) the New Articles only permit the creation, variation or deletion of special rights or restrictions to any class or series of shares where authorized by ordinary resolution, whereas the Previous Articles permitted such changes by directors' resolution, in addition to by ordinary resolution;
- (m) the New Articles permit the Company to change its name via directors' resolution or ordinary resolution, whereas the Previous Articles only permitted a name change via directors' resolution;
- (n) the New Articles provide that all alterations to the articles of the Company, unless otherwise specified by the BCBCA or the New Articles, may only be authorized by ordinary resolution. This requirement is also extended to any changes to the Notice of Articles;
- (o) the New Articles include rules regarding the requirement for advance notice for the nomination of directors of the Company to stand for election at an annual meeting or special meeting of shareholders as further described in Section 12.11(d) of the New Articles;
- (p) the New Articles provide that a shareholder or proxy holder may participate at a meeting of the shareholders in person, by telephone or other communications medium if all shareholders and proxy holders participating in the meeting are able to communicate with each other. Similarly, any vote at a meeting of the shareholders may be held entirely or partially by means of telephonic, electronic or other communication facilities if the directors determine to make them available whether or not the persons entitled to attend participate by such means;

- (q) the Previous Articles generally require proxy holders to be shareholders of the Company. The New Articles specifically permit non-shareholders to be proxy holders;
- (r) the New Articles specify the minimum and maximum number of directors required for the Company, setting out a minimum of one director, or three directors if the Company is a public company, and a maximum of ten directors. The Previous Articles only provided that the number of directors were to be set as per the last ordinary resolution. Furthermore, the New Articles provide that if the number of directors has not been determined, the number will be the number of directors holding office immediately following the most recent election or appointment of directors;
- (s) the New Articles set out that all directors cease to hold office immediately before the election or appointment of directors at the annual general meeting of shareholders;
- (t) the New Articles introduce new provisions which deal with situations in which directors hold a disclosable interest (as defined in the BCBCA) as further described in Part 18 of the New Articles;
- (u) the New Articles set out provisions governing the appointment and powers of the Executive Committee specifically, as more particularly described in Section 20.1 of the New Articles, whereas the Previous Articles only set out the powers of committees generally;
- (v) the New Articles do not require any officers to also be a director, whereas the Previous Articles required that any person appointed as the chair of the board or as the managing director to be a director;
- (w) the New Articles no longer provide provisions dealing with the appointment and conduct of alternate directors, whereas the Previous Articles did;
- (x) the New Articles limit indemnification of the Company's directors and officers to eligible penalties and eligible proceedings, as defined therein, whereas the Previous Articles provide the Company shall indemnify its directors and officers to the greatest extent permitted by the BCBCA;
- (y) the New Articles provide that any dividend unclaimed after six years from the date it was declared shall be forfeited and revert to the Company;
- (z) the New Articles set out requirements for directors to keep adequate accounting records, and provides that the shareholders of the Company are not entitled to inspect or obtain a copy of any accounting records of the Company unless the directors determine otherwise or as otherwise determined by ordinary resolution;
- (aa) the New Articles provide, in addition to the rules around the deemed delivery of records mailed by ordinary mail, that any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by email or other form of electronic communication, on the day of transmittal thereof if given during statutory business hours on the day which statutory business hours next occur if not given during such hours on any day;
- (bb) the New Articles provide that the Company is not required to have a seal;



- (cc) the New Articles no longer contemplated the Company as having a class of preferred shares; and
- (dd) the New Articles that if the Company is admitted to the Official List, a number of clauses ensure that the provisions of the ASX Listing Rules are complied with.

In connection with shareholder approval of the New Articles, management will place the following proposed ordinary resolution before the Shareholders at the Meeting for their consideration. In order to be passed, a majority of the votes cast at the Meeting in person or by proxy must be voted in favour of this resolution.

**"BE IT RESOLVED AS ORDINARY RESOLUTIONS THAT:**

1. the authorized share structure of the Company be altered by deleting the Preferred shares without par value, none of which are outstanding;
2. the special rights or restrictions attached to the Preferred shares and the Common shares of the Company be deleted in their entirety;
3. the Company be authorized to file a Notice of Alteration to reflect the above resolutions;
4. the existing Articles of the Company be replaced in their entirety with the form of Articles set out in Schedule "B" to the Company's management information circular dated September 14, 2021, to become effective at a date in the future to be determined by the Board of Directors of the Company, and such replacement of the Articles of the Company shall not take effect until these resolutions are passed and received for deposit at the Company's records office, the Notice of Alteration is electronically filed with the Registrar of Companies and the Notice of Articles is altered to reflect the alterations set out in these resolutions;
5. any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director or officer's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
6. notwithstanding that this resolution be passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke these resolutions, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

The persons named in the accompanying proxy instrument (if named and absent contrary directions) intend to vote the shares represented thereby **FOR** the resolution approving the New Articles.

**Adoption of New Equity Incentive Plan**

On September 3, 2021, the Board approved a new equity incentive plan (the "**Equity Incentive Plan**" or "**EIP**"). If the EIP is approved by disinterested Shareholders at the Meeting, receives the approval of the TSXV and is subsequently made effective by the Board, the Company will no longer issue stock options under the Existing Plan and will instead be authorized to grant stock options (each, the "**Options**") and performance rights (the "**Performance Rights**", together with the Options and stock options issued pursuant to the Existing Plan, the "**Awards**") to certain directors, senior officers, employees and consultants of the Company pursuant to the terms of the EIP. If the EIP is made effective by the Board, all future grants of equity-based awards will be made pursuant to, or as otherwise permitted by, the EIP, and no further equity-based awards will be made

pursuant to the Existing Plan.

The purpose of the EIP is to, among other things: (a) promote further alignment of interests between the directors, officers, employees and consultants of the Company and the shareholders of the Company, and; (b) allow such directors, officers, employees and consultants to participate in the success of the Company over the short, medium and long term through the grant of Awards.

A summary of material terms and conditions of the EIP is set out below and is qualified in its entirety by the EIP, a copy of which is attached hereto as Schedule "C". Capitalized terms used but otherwise not defined in this summary shall have the meanings given to them in the EIP.

#### *Eligible Participant*

The eligible participants ("**Participants**") under the EIP are directors, officers, employees and consultants of the Company or an Affiliate (as defined in the BCBCA) of the Company as the Board may designate from time to time as eligible to participate in the EIP. Participants retained to provide Investor Relations Activities may not be granted Performance Rights under the EIP.

#### *Types of Awards*

Under the EIP, Options to purchase Common Shares or CHES Depositary Interests, which represents a beneficial interest in one Common Share if the Company is ever listed on the ASX (each, a "**CDI**"), as well as Performance Rights to receive Common Shares or CDIs in accordance with the provisions of the EIP may be granted.

#### *Maximum Term of Options*

Options granted under the EIP will be for a term not exceeding 10 years following the applicable date of grant of such Option.

#### *Administration*

The EIP shall be administered by the Board. The Board may also, by ordinary resolution, appoint a committee of its members to administer this EIP (a "**Committee**") and any action or decision required to be taken by the Board under this EIP may be taken by such Committee where the Board has delegated authority to such Committee.

#### *Limits on Entitlement*

The total number of Common Shares or CDIs issued or reserved for issuance pursuant to Options granted under all securities-based compensation arrangements of the Company, including the EIP and the Existing Plan (collectively, the "**Plans**"), shall not exceed 10% of the issued and outstanding Common Shares from time to time, unless determined otherwise by the Board at any time and the necessary approvals from shareholders or regulatory authorities have been received.

The aggregate maximum number of Common Shares (including those underlying CDIs) issuable pursuant to the redemption of Performance Rights under the EIP is 9,500,000 Shares.

#### *Individual Limits*

The number of Common Shares or CDIs at any time reserved for issuance to any one Participant under the Plans may not exceed 5% of the Company's issued Common Shares from time to time, unless the Company has obtained the requisite disinterested shareholder approval as set out in the

TSXV's Corporate Finance Manual and any other policies, bulletins or rules of the TSXV which are applicable to the Company (the "**TSXV Policies**").

The number of Awards granted to any one Participant in any 12-month period must not exceed 5% of the Company's issued Common Shares, calculated on the applicable grant date of such Award.

The number of Common Shares or CDIs at any time reserved for issuance to Insiders (as defined in the TSXV Policies) as a group under the Plans may not exceed 10% of the Company's issued Common Shares from time to time, unless the Company has obtained the requisite disinterested shareholder approval as set out in the TSXV Policies.

The number of Awards granted to any one Participant in any 12-month period must not exceed 5% of the Company's issued Common Shares calculated on the applicable grant date of such Award.

The aggregate number of Options granted to all Participants retained to provide Investor Relations Activities in any 12-month period shall not exceed 2% of the Company's issued Common Shares calculated on the applicable grant date of such Option. Further, Options granted to Participants retained to provide Investor Relations Activities shall vest in stages over a period of not less than 12 months with no more than one-quarter of such Awards vesting in any three-month period.

#### *Lapse of Options and Performance Rights*

Options and Performance Rights shall be automatically cancelled and the Participant will have no further right, title or interest in such Performance Rights, Options or any underlying Common Share or CDI if they: (i) fail to vest at the end of the performance period; (ii) are redeemed or exercised (as applicable); or (iii) are vested but are not redeemed or exercised (as applicable) for a Common Share or a CDI by the end of the redemption period or the exercise period (as applicable).

#### *Good Leaver*

The Board may determine that if a Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver:

- (i) the unvested Options and Performance Rights granted to the Participant shall continue to vest in accordance with their original schedule established by the Company's Board at the time of grant unless otherwise specified in the terms of the relevant Options or Performance Rights; and
- (ii) the vested Options and vested Performance Rights granted to the Participant shall remain exercisable or redeemable (respectively) within, but only within the earlier to occur of the period until the expiry date of the vested Options or whichever of the following alternatives applies:
  - a. in the case of death, the period of 90 days following the date of death of the Participant;
  - b. in the case of retirement, disability or termination without Cause, the period of 6 months following the termination date; or
  - c. in all other circumstances (other than as a Bad Leaver), the period of 3 months following the termination date.

**"Good Leaver"** means, unless the Company's Board determines otherwise, any Participant who ceases to be employed by or to hold an office with the Company or an Affiliate of the Company (such that the Participant no longer holds even one office or employment with the Company or an Affiliate of the Company), or ceases to be associated with, due to any of the following: (i) genuine redundancy; (ii) retirement; (iii) disability; (iv) death; (v) any other reason which the Company's Board determines, on a case by case basis, in its absolute discretion results in the relevant Participant being a "good leaver"; or (vi) termination of employment without Cause.

#### *Bad Leaver*

Unless otherwise determined by the Board, if:

- (i) the employment, or other office, of a Participant with the Company or an Affiliate of the Company is terminated for Cause; or
- (ii) the Participant terminates his or her employment, or other office, with the Company or an Affiliate of the Company for any reason other than as a Good Leaver,

then the:

- (iii) Options granted to such Participant that are not vested Options shall cease vesting and shall be automatically cancelled as at the termination date;
- (iv) Options granted to such Participant shall not be entitled to be exercised for Common Shares or CDIs or otherwise, whether vested or unvested, and any such Options recorded in the Option register shall be automatically cancelled as at the termination date; and
- (v) Performance Rights granted to such Participant shall be automatically cancelled as at the termination date and will not be entitled to be issued any Common Shares or CDIs on account of Performance Rights relating to the performance period(s) in which the Participant's employment terminates whether vested or unvested.

#### *Change of Control*

The Board may, in its absolute discretion, determine that all or a specified number of Performance Rights and/or Options that have been granted to Participants shall vest such that vested Performance Rights and/or vested Options may participate in the Change of Control; *provided that* Options held by a Participant retained to provide Investor Relations Activities may not be accelerated without the prior approval of the TSXV. Where the Board makes such a determination, the Board will give written notice to each Participant of the number of Performance Rights and/or Options that vest and those Performance Rights may be redeemed for Common Shares and Options exercised for Common Shares, within such period as the Company's Board shall determine appropriate.

#### *Transferability of Performance Rights and Options*

No Performance Rights or Option granted under the EIP shall be assignable or transferable unless permitted by the Company's Board, and then only the following transfers would be permitted, subject to compliance with applicable laws: (i) for a Participant resident in Canada, to a Participant's registered retirement savings plan ("**RRSP**") or registered retirement income fund ("**RRIF**"),

provided that the Participant is, during the Participant's lifetime, the sole beneficiary of the RRSP or RRIF; (ii) to a trustee, custodian or administrator acting on behalf of or for the benefit of the Participant or the Participant's spouse; or (iii) a personal holding corporation, partnership, trust (including a self-managed superannuation fund) or other entity controlled by the Participant.

#### *Amendment of the EIP*

The Board (for which these purposes does not include reference to a Committee) may at any time, and from time to time, and without shareholder approval, amend any provision or terminate the EIP that is an amendment to fix typographical errors or amendments to clarify the existing provisions of the EIP that do not substantively alter the scope, nature and intent of the provisions.

Notwithstanding the above, and any approvals required by the ASX or TSXV to a proposed amendment of the EIP, neither the Board (nor a Committee) shall be permitted to amend:

- (i) the definition of Participant or the persons eligible to participate in the EIP;
- (ii) the number of Common Shares and CDIs issuable pursuant to the EIP;
- (iii) the limitations applicable to the EIP as set out in Section 8.2 of the EIP;
- (iv) the method for determining the exercise price of Options set out in Section 5.2(a) of the EIP;
- (v) the maximum term of Options;
- (vi) the expiry and termination provisions in respect of Performance Rights and Options;
- (vii) the exercise price of any Option issued under the EIP to an Insider where such amendment reduces the exercise price of such Option,

in each case without first having obtained the approval of a majority of the shareholders voting at a duly called and held meeting of holders of Common Shares (excluding votes held by any Insider or person benefiting from the proposed amendment when necessary in accordance with applicable rules).

#### *Compliance with Regulatory Rules*

The EIP will be subject to the ASX Listing Rules and the TSXV Policies (collectively, the "**Regulatory Rules**"), and any approvals required under the Regulatory Rules.

In connection with shareholder approval of the Equity Incentive Plan, management will place the following proposed ordinary resolution before the Shareholders at the Meeting for their consideration. In order to be passed, a majority of the votes cast at the Meeting in person or by proxy must be voted in favour of this resolution, provided that votes attached to shares beneficially owned or controlled by Insiders (as defined in the TSXV Policies) of the Company entitled to participate in the EIP, and any associate(s) of such Insiders, will be excluded from voting on this resolution in accordance with the TSXV Policies. As at the date of this Circular, the number of such excluded shares is 23,493,423 shares, representing 24.47% of the issued and outstanding shares.

**"BE IT RESOLVED, as an ordinary resolution, that:**

1. the Equity Incentive Plan set out in Schedule C to the Company's management information circular dated September 14, 2021 (the "**Circular**"), including the reserving for issuance under the Equity Incentive Plan (and all other security-based compensation arrangements of the Company) at any time of a maximum of 10% of the issued and outstanding common shares of the Company for the issuance of stock options, subject to regulatory approval, all as more particularly described in the Circular, is approved to become effective at a date in the future to be determined by the directors of the Company in their sole discretion;
2. the aggregate number of common shares issuable on the redemption of Performance Rights under the Equity Incentive Plan is fixed and limited to 9,500,000 common shares;
3. any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director or officer's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
4. notwithstanding that this resolution be passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

The persons named in the accompanying proxy instrument (if named and absent contrary directions) intend to vote the shares represented thereby **FOR** the resolution approving the Equity Incentive Plan.

**ADDITIONAL INFORMATION**

Additional Information concerning the Company is available on **SEDAR** at [www.sedar.com](http://www.sedar.com). Financial Information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended December 31, 2020.

Shareholders wishing to obtain a copy of the Company's financial statements and Management's Discussion and Analysis may contact the Company as follows:

Corporate Secretary, Suite 6, Level 2, 2 Richardson Street, West Perth, WA 6005 by email at [info@altanrio.com](mailto:info@altanrio.com).

**BOARD APPROVAL**

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

**DATED** at Perth, Western Australia, the 14<sup>th</sup> day of September, 2021.

**ON BEHALF OF THE BOARD**

***"Paul Stephen"***

Chief Executive Officer, Corporate Secretary & Director

## **SCHEDULE A**

### **ALTAN RIO MINERALS LIMITED** (the "**Company**")

#### **AUDIT COMMITTEE CHARTER**

##### **PURPOSE OF THE COMMITTEE**

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

- a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- b) the Company's compliance with legal and regulatory requirements related to financial reporting; and
- c) the independence and performance of the Company's independent auditor.

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

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

The Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with generally accepted accounting principles ("**GAAP**"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

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

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

## **AUTHORITY AND RESPONSIBILITIES**

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

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor, unless exempted under National Instrument 52-110.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
  - a. receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - b. confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.



12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act (British Columbia) and the articles of the Company.

**SCHEDULE B**  
**NEW ARTICLES**

See attached.

Incorporation Number BC0898343

**PROVINCE OF BRITISH COLUMBIA**  
***BUSINESS CORPORATIONS ACT***

**ARTICLES**  
**OF**  
**ALTAN RIO MINERALS LIMITED**

**PROVINCE OF BRITISH COLUMBIA**

***BUSINESS CORPORATIONS ACT***

**ARTICLES  
OF  
ALTAN RIO MINERALS LIMITED  
(the "Company")**

**Incorporation Number BC0898343**

**PART 1  
INTERPRETATION**

**1.1 Definitions.** Without limiting Article 1.2, in these Articles, unless the context requires otherwise:

"adjourned meeting" means the meeting to which a meeting is adjourned under Articles 13.8 or 13.12;

"ASX" means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited;

"beneficial owner" includes, when used in these Articles, an owner of a CDI;

"board", "board of directors" and "directors" mean the directors or sole director of the Company for the time being and include a committee or other delegate, direct or indirect, of the directors or director;

"*Business Corporations Act*" means the *Business Corporations Act*, S.B.C. 2002, c.57 as amended, restated or replaced from time to time, and includes its regulations;

"business day" has the same meaning as in the Listing Rules if the Company is admitted to the Official List at the relevant time, and if not so admitted at the relevant time, means any day other than a Saturday, Sunday or public holiday in the City of Vancouver, British Columbia;

"CDI" means a CHESS Depository Interest, which represents a beneficial interest in one share;

"Child Entity" has the same meaning as in the Listing Rules;

"Corporations Act" means the *Corporations Act 2001* (Cth);

"Depository Nominee" has the same meaning as in the ASX Settlement Operating Rules;

"Disposal" has the same meaning as in the Listing Rules;

"Executive Director" means a director who is also an employee (whether full-time, part-time or casual) of the Company or of any Child Entity of the Company;

"holder" means:

(a) a beneficial owner that is an owner of a CDI; or

(b) a shareholder;

"Holding Lock" has the same meaning as in the Listing Rules;

"*Interpretation Act*" means the *Interpretation Act*, R.S.B.C. 1996, c. 238;

"Issuer Sponsored Subregister" has the same meaning as in the Listing Rules;

"legal personal representative" means the personal or other legal representative of the shareholder;

"Listing Rules" or "ASX Listing Rules" means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX;

"Marketable Parcel" has the meaning as defined under the ASX Listing Rules;

"Official List" means the official list of ASX;

"Restricted Securities" has the same meaning as in the Listing Rules;

"Restriction Deed" has the same meaning as in the Listing Rules;

"seal" means the seal of the Company, if any;

"*Securities Transfer Act*" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

"shareholder" has the meaning given such term in the *Business Corporations Act*;

"Small Holding" means a holding of shares which is less than a "marketable parcel" as defined under the ASX Listing Rules; and

"Takeover" means a take-over bid within the meaning of National Instrument 62-104 or a take-over bid for shares under any other applicable law.

## **1.2 *Business Corporations Act* Definitions Apply.**

The definitions in the *Business Corporations Act* apply to these Articles.

## **1.3 *Interpretation Act* Applies.**

The *Interpretation Act* applies to the interpretation of these Articles as if these Articles were an enactment.

## **1.4 Conflict in Definitions.**

If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles.

## **1.5 Conflict Between Articles and Legislation.**

If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## **1.6 ASX Listing Rules.**

In these Articles, unless the context requires otherwise a reference to the Listing Rules or to ASX has effect only if at that time the Company is included in the Official List.

## **1.7 Electronic signatures.**

Subject to applicable law including any requirement in the *Business Corporations Act* for a manual signature, but without limiting any other method of signing or delivery permitted by law:

- (a) where these Articles refer to or contemplate the signing of a document or instrument (such as

notices, resolutions, proxy forms, consents and resignations) the electronic signature, whether digital or encrypted, of that person has the same force and effect as his or her manual or 'wet ink' signature; and

- (b) transmission by electronic means of any signed document (whether signed in accordance with Article 1.7(a) or otherwise) has the same effect as physical delivery of the paper document bearing an original manual or 'wet ink' signature of the signatory.

## **PART 2 SHARES AND SHARE CERTIFICATES**

### **2.1 Authorized Share Structure.**

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### **2.2 Form of Share Certificate.**

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### **2.3 Right to Share Certificate or Acknowledgement.**

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to:

- (a) one certificate representing the share or shares of each class or series of shares registered in the shareholder's name; or
- (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate,

provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or acknowledgment for a share to one of several joint shareholders or to one of the shareholder's duly authorized agents will be sufficient delivery to all. The Company may refuse to register more than three persons as joint holders of a share.

### **2.4 Sending of Share Certificate.**

Any share certificate or non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate to which a shareholder is entitled may be sent to the shareholder by mail at the shareholder's registered address, and neither the Company nor any agent is liable for any loss to the shareholder because the share certificate or acknowledgment sent is lost in the mail or stolen.

### **2.5 Replacement of Worn Out or Defaced Certificate.**

If the board of directors, or any officer or agent designated by the directors, is satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit:

- (a) order the certificate to be cancelled; and
- (b) issue a replacement share certificate.

### **2.6 Replacement of Lost, Stolen or Destroyed Certificate.**

If a share certificate is lost, stolen or destroyed, the Company must issue a new share certificate, if that person:

- (a) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (b) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (c) satisfies any other reasonable requirements imposed by the Company.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, destroyed or stolen if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, destruction or theft of the share certificate.

### **2.7 Recovery of New Share Certificate**

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

### **2.8 Splitting Share Certificates.**

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request. The Company may refuse to issue a certificate with respect to a fraction of a share.

### **2.9 Certificate Fee.**

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

### **2.10 Recognition of Trusts.**

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

## **PART 3 ISSUE OF SHARES**

### **3.1 Directors Authorized to Issue Shares.**

Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the directors may issue, allot, sell or otherwise dispose of the unissued shares, and previously issued shares that are subject to reissuance or held by the Company, whether with par value or without par value, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares may be issued) that the directors, in their absolute discretion, may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

### **3.2 Commissions and Discounts.**

The directors may, at any time, authorize the Company to pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or subscribing or agreeing to purchase or

subscribe shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers or subscribers for shares of the Company.

### **3.3 Brokerage.**

The directors may authorize the Company to pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

### **3.4 Conditions of Issue.**

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (a) consideration is provided to the Company for the issue of the share by one or more of the following:
  - (i) past services performed for the Company;
  - (ii) property; or
  - (iii) money; and
- (b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

### **3.5 Warrants, Options and Rights.**

Subject to the *Business Corporations Act*, the Company may issue warrants, options and rights upon such terms and conditions as the directors determine, which warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

### **3.6 Fractional Shares.**

- (a) A person holding a fractional share does not have, in relation to the fractional share, the rights of a shareholder in proportion to the fraction of the share held.
- (b) The directors may, subject to compliance with the *Business Corporations Act*, settle the manner in which fractions of a share, however arising, are to be dealt with (including, without limitation, by rounding amounts up or down to the nearest whole number of shares).
- (c) If a beneficial owner becomes entitled to a fractional interest in a share as a result of an Article 11.1 alteration to the authorized share capital or otherwise, the Company may issue such greater or lesser number of shares to the registered shareholder for such beneficial owner such that the beneficial owner receives the same interest in the shares the beneficial owner would have received had they been a shareholder on the effective date of such alteration.

## **PART 4 RESTRICTED SECURITIES**

### **4.1 Restricted Securities and Agreements.**

While the Company is admitted to the Official List, the following provisions apply:

- (a) A holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the Restricted Securities during the escrow period applicable to those Restricted Securities except as permitted by the Listing Rules or ASX.



- (b) If the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's Issuer Sponsored Subregister and are to have a Holding Lock applied for the duration of the escrow period applicable to those Restricted Securities.
- (c) The Company will refuse to acknowledge any Disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those Restricted Securities except as permitted by the Listing Rules or ASX.
- (d) A holder of Restricted Securities will not be entitled to participate in any return of capital on those Restricted Securities during the escrow period applicable to those Restricted Securities except as permitted by the Listing Rules or ASX.
- (e) If a holder of Restricted Securities breaches a Restriction Deed or a provision of these Articles restricting a Disposal of those Restricted Securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights in respect of those Restricted Securities for so long as the breach continues.

## **PART 5 SHARE REGISTERS**

### **5.1 Central Securities Register.**

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register, which may be in electronic form, at its records office or at any other location inside or outside British Columbia designated by the directors.

### **5.2 Branch Registers.**

In addition to the central securities register, the Company may maintain branch securities registers.

### **5.3 Appointment of Agents.**

The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register and any branch securities registers. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

### **5.4 Closing Register.**

The Company must not at any time close its central securities register.

## **PART 6 SMALL HOLDINGS**

### **6.1 Application and interpretation.**

In this Part 6 unless the context otherwise requires, "Sale Share" means a share which is sold or disposed of in accordance with this Part 6. The Company shall be authorized by these Articles to, without limitation, give notices of divestment to CDI holders in the circumstances permitted by the ASX Listing Rules (including as permitted by the ASX Settlement Operating Rules) and to take such other actions as are permitted by those rules and to cause the Depository Nominee to give effect to this Part 6.

### **6.2 Existing Small Holdings.**

- (a) Whilst the Company is included in the Official List, the Company may sell the shares of a

shareholder if:

- (i) the total number of shares of a particular class held by that shareholder is less than a Marketable Parcel;
  - (ii) the Company gives that shareholder notice stating that the shares are liable to be sold or disposed of by the Company; and
  - (iii) that shareholder does not give notice to the Company, by the date specified in the notice of the Company (being not less than 42 days after the date of the Company giving that notice), stating that all or some of those shares are not to be sold or disposed of.
- (b) The Company may only exercise the powers under Article 6.2(a), in respect of one or more shareholders, once in any 12 month period.
- (c) The power of the Company under Article 6.2(a) lapses following the announcement of a Takeover. However, the procedure may be started again after the close of the offers made under the Takeover.

### **6.3 New Small Holdings.**

- (a) The Company may sell the shares of a shareholder if:
- (i) the shares of a particular class held by that shareholder are in a new holding created by a transfer on or after 1 September 1999; and
  - (ii) that transfer is of a number of shares of that class that was less than a Marketable Parcel at the time the transfer document was initiated, or in the case of a paper based transfer document, was lodged with the Company.
- (b) The Company may give a shareholder referred to in Article 6.3(a) notice stating that the Company intends to sell or dispose of the shares.

### **6.4 Extinguishment of interests and claims.**

- (a) The exercise by the Company of its powers under Article 6.2 or Article 6.3 extinguishes, subject to this Part 6:
- (i) all interests in the Sale Shares of the former shareholder; and
  - (ii) subject to the *Business Corporations Act*, all claims against the Company in respect of the Sale Shares by that shareholder.

### **6.5 Manner of sale.**

- (a) The Company may sell or dispose of any shares under Article 6.2 or Article 6.3 at any time:
- (i) using a financial services licensee on the basis that person obtains the highest possible price for the sale of the shares; or
  - (ii) in any other manner and on any terms as the directors resolve.
- (b) The Company may:
- (i) exercise any powers permitted under applicable law to enable the sale or disposal of shares under this Part 6;
  - (ii) receive the purchase money or consideration for Sale Shares;

- (iii) appoint a person to sign a transfer of Sale Shares; and
  - (iv) enter in the Company's securities registers the name of the person to whom Sale Shares are sold or disposed.
- (c) The person to whom a Sale Share is sold or disposed need not enquire whether the Company:
- (i) properly exercised its powers under this Part 6 in respect of that share; or
  - (ii) properly applied the proceeds of sale or disposal of those shares,
- and the title of that person is not affected by those matters.
- (d) The remedy of any person aggrieved by a sale or disposal of Sale Shares is in damages only and against the Company exclusively.
- (e) A certificate in writing from the Company signed by a director or secretary that a share was sold or disposed of in accordance with this Part 6 is sufficient evidence of those matters.

#### **6.6 Application of proceeds.**

- (a) If the Company exercises the powers under Article 6.2, either the Company or the person to whom a Sale Share is sold or disposed of must pay the expenses of the sale or disposal.
- (b) The Company must apply the proceeds of any sale or disposal of any Sale Shares in the following order:
  - (i) in the case of an exercise of the powers under Article 6.3, the expenses of the sale or disposal;
  - (ii) the amounts due and unpaid in respect of those shares; and
  - (iii) the balance (if any) to the former shareholder or the former shareholder's legal personal representative, on the Company receiving the certificate (if any) for those shares or other evidence satisfactory to the Company regarding the ownership of those shares.

### **PART 7 SHARE TRANSFERS AND NOTIFICATION**

#### **7.1 Recording or Registering Transfer.**

Subject to the *Business Corporations Act* and the *Securities Transfer Act*, a transfer of a share of the Company must not be recorded or registered unless either:

- (a) The Company or the transfer agent or registrar for the class or series of shares to be transferred has received:
  - (i) a duly signed instrument of transfer in respect of the share;
  - (ii) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate has been surrendered to the Company; and
  - (iii) if a share is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including where the Company has issued a non-transferable written acknowledgement of the shareholder's right to receive a share certificate), such other evidence, if any, as the Company or the transfer agent or registrar may require to prove the title of the transferor or the transferor's right to transfer the share; or

- (b) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met.

The Company may waive any of the above requirements or preconditions.

## **7.2 Form of Instrument of Transfer.**

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form satisfactory to the Company or the transfer agent for the class or series of shares to be transferred.

## **7.3 Transferor Remains Shareholder.**

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

## **7.4 Signing of Instrument of Transfer.**

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer, or, if no number is specified, all the shares represented by share certificates deposited with the instrument of transfer:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the share certificate is deposited for the purpose of having the transfer registered.

## **7.5 Enquiry as to Title Not Required.**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

## **7.6 Transfer Fee.**

There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors.

# **PART 8 TRANSMISSION OF SHARES**

## **8.1 Legal Personal Representative Recognized on Death.**

In the case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

## **8.2 Rights of Legal Personal Representative.**

The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the

documents required by the *Business Corporations Act* and the directors have been deposited with the Company.

## **PART 9 PURCHASE OF SHARES**

### **9.1 Company Authorized to Purchase its Own Shares.**

Subject to the special rights and restrictions attached to any class or series of shares and the *Business Corporations Act*, the Company may, if authorized by the directors, offer to purchase, purchase or otherwise acquire any of its shares at the price and on the terms specified in such resolution.

### **9.2 Purchase, Redemption or Other Acquisition When Insolvent.**

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (a) the Company is insolvent; or
- (b) making the payment or providing the consideration would render the Company insolvent.

### **9.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares.**

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (a) is not entitled to vote the share at a meeting of its shareholders;
- (b) must not pay a dividend in respect of the share; and
- (c) must not make any other distribution in respect of the share.

## **PART 10 BORROWING POWERS**

### **10.1 Powers of Directors.**

The Company, if authorized by the directors, may from time to time:

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person;
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future undertaking of the Company.

### **10.2 Terms of Debt Instruments.**

Any bonds, debentures or other debt obligations of the Company may be issued at a discount, premium or otherwise, and with any special privileges on the redemption, surrender, drawing, allotment of or conversion into or exchange for shares or other securities or property, attending and voting at general meetings of the Company, appointment of directors or otherwise, and may by their terms be assignable free from any equities between the Company and the person to whom they were issued or any subsequent holder, all as the directors may determine.

### **10.3 Delegation by Directors.**

For greater certainty, the powers of the directors under this Part 10 may be exercised by a committee or other delegate, direct or indirect, of the board authorized to exercise such powers.

## **PART 11 ALTERATIONS**

### **11.1 Alteration of Authorized Share Structure.**

Subject to Article 11.2 and the *Business Corporations Act*, the Company may:

- (a) by directors' resolution or ordinary resolution, subdivide or consolidate all or any of its unissued, or fully paid issued, shares (and if applicable, alter its Notice of Articles and, if applicable, its Articles accordingly); or
- (b) by ordinary resolution:
  - (i) create one or more classes or series of shares or, if none of the shares of a class or series of shares is allotted or issued, eliminate that class or series of shares;
  - (ii) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
  - (iii) if the Company is authorized to issue shares of a class of shares with par value:
    - (A) decrease the par value of those shares; or
    - (B) if none of the shares of that class of shares is allotted or issued, increase the par value of those shares;
  - (iv) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
  - (v) alter the identifying name of any of its shares; or
  - (vi) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

### **11.2 Special Rights and Restrictions.**

Subject to the special rights or restrictions attached to the shares of any class or series of shares and the *Business Corporations Act*, the Company may by ordinary resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

### **11.3 Change of Name.**

The Company may by directors' resolution or ordinary resolution authorize an alteration of its Notice of Articles in order to change its name.

### **11.4 Alterations to Articles.**

If the *Business Corporations Act* does not specify the type of resolution required to approve an alteration and these Articles do not specify another type of resolution required to approve an alteration, the Company may by ordinary resolution only alter these Articles.

### **11.5 Alterations to Notice of Articles.**

If the *Business Corporations Act* does not specify the type of resolution required to approve an alteration and these Articles do not specify another type of resolution required to approve an alteration, the Company may by ordinary resolution only alter its Notice of Articles.

## **PART 12 MEETINGS OF SHAREHOLDERS**

### **12.1 Annual General Meetings.**

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold an annual general meeting, for the first time, not more than 18 months after the date on which it was recognized, and after its first annual reference date, at least once in each calendar year and not more than 15 months after the annual reference date for the preceding calendar year at such date, time and location as may be determined by the directors which meetings may also be held in compliance with Article 12.5.

### **12.2 Resolution Instead of Annual General Meeting.**

If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 12.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

### **12.3 Calling of Shareholder Meetings.**

The directors may, whenever they think fit, call a meeting of shareholders.

### **12.4 Location of Shareholder Meetings.**

The directors may, by director's resolution, approve a location anywhere inside or outside of British Columbia for the holding of a meeting of shareholders.

### **12.5 Electronic Meetings.**

The directors may determine that a meeting of shareholders shall be held entirely by means of telephone, electronic or other communications facilities that permit all participants to communicate with each other during the meeting. A meeting of shareholders may also be held at which some, but not necessarily all, persons entitled to attend may participate by means of such communications facilities, if the board determines to make them available. A person attending the meeting through such telephone, electronic or other communications facilities shall be deemed for all purposes of the *Business Corporations Act* and these Articles to be present in person at the meeting.

### **12.6 Notice for Meetings of Shareholders.**

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner

provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least 21 days before the meeting.

#### **12.7 Record Date for Notice.**

The directors may, but are not required to, set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than 21 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

#### **12.8 Record Date for Voting.**

The directors may, but are not required to, set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

#### **12.9 Failure to Give Notice and Waiver of Notice.**

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to receive notice does not invalidate any proceedings at that meeting. Any person entitled to receive notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

#### **12.10 Notice of Special Business at Meetings of Shareholders.**

If a meeting of shareholders is to consider special business within the meaning of Article 13.1, the notice of meeting must:

- (a) state the general nature of the special business; and
- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by the shareholders:
  - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

#### **12.11 Advance Notice Provisions.**

- (a) *Nomination of Directors.* Subject only to the *Business Corporations Act* and these Articles, only individuals who are nominated in accordance with the procedures set out in this Article 12.11 shall be eligible for election as directors to the board of directors. Nominations of individuals for election to the board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose at which the election of directors is a matter specified in the notice of meeting, as follows:



- (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
  - (ii) by or at the direction or request of one or more shareholders pursuant to a valid proposal made in accordance with the provisions of the *Business Corporations Act* or a valid requisition of shareholders made in accordance with the provisions of the *Business Corporations Act*; or
  - (iii) by any shareholder entitled to vote at such meeting (a "**Nominating Shareholder**"), who:
    - (A) is, at the close of business on the date of giving notice provided for in this Article 12.11 and on the record date for notice of such meeting, either entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Company; and
    - (B) has given timely notice in proper written form as set forth in this Article 12.11.
- (b) *Exclusive Means.* For the avoidance of doubt, this Article 12.11 shall be the exclusive means for any person to bring nominations for election to the board before any annual or special meeting of shareholders of the Company.
- (c) *Timely Notice.* In order for a nomination made by a Nominating Shareholder to be timely notice (a "**Timely Notice**") of a director nomination at any meeting of shareholders at which directors are to be elected, the Nominating Shareholder's notice must be received by the secretary of the Company at the principal executive offices or registered office of the Company not later than 5:00 p.m. (Vancouver time) on the 35<sup>th</sup> day before the date of the meeting provided, however, that if the first public announcement made by the Company of the date of the meeting at which directors are to be elected (each such date being the "**Notice Date**") is less than 42 days before the meeting date, notice by the Nominating Shareholder may be given not later than the close of business on the 7<sup>th</sup> day following the Notice Date.
- (d) *Proper Form of Notice.* To be in proper written form, a Nominating Shareholder's notice to the secretary must comply with all the provisions of this Article 12.11 and disclose or include, as applicable:
- (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):
    - (A) the name, age, business and residential address of the Proposed Nominee;
    - (B) the principal occupation/business or employment of the Proposed Nominee, both presently and for the past five years;
    - (C) the number of securities of each class of securities of the Company beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
    - (D) full particulars of any relationships, agreements, arrangements or understandings (including financial, compensation or indemnity related) between the Proposed Nominee and the Nominating Shareholder, or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee or the Nominating Shareholder;
    - (E) any other information that would be required to be disclosed in a dissident proxy

circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the *Business Corporations Act* or applicable securities law; and

- (F) a written consent of each Proposed Nominee to being named as nominee and to act as a director (if elected) and certifying that such Proposed Nominee is not disqualified from acting as director under the provisions of subsection 124(2) of the *Business Corporations Act*; and
- (ii) as to each Nominating Shareholder giving the notice, and each beneficial owner, if any, on whose behalf the nomination is made:
- (A) their name, business and residential address;
  - (B) the number of securities of the Company beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom the Nominating Shareholder is acting jointly or in concert with respect to the Company or any of its securities, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
  - (C) their interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Company or the person's economic exposure to the Company;
  - (D) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;
  - (E) full particulars of any proxy, contract, relationship, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Company or the nomination of directors to the board;
  - (F) a representation that the Nominating Shareholder is a holder of record of securities of the Company, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;
  - (G) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Company in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Company in support of such nomination; and
  - (H) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* or as required by applicable law or the Listing Rules.

Reference to "Nominating Shareholder" in this Section 12.11(d) shall be deemed to refer to each shareholder that nominated or seeks to nominate a person for election as director in the case of a nomination proposal where more than one shareholder is involved in making the nomination proposal.

- (e) *Currency of Nominee Information.* All information to be provided in a Timely Notice pursuant to

this Article 12.11 shall be provided as of the date of such notice. The Nominating Shareholder shall provide the Company with an update to such information forthwith so that it is true and correct in all material respects as of the date that is 10 business days before the date of the meeting, or any adjournment or postponement thereof.

- (f) *Delivery of Information.* Notwithstanding Part 25 of these Articles, any notice, or other document or information required to be given to the secretary pursuant to this Article 12.11 may be given by:
  - (i) personal delivery or courier to the secretary at the address of the principal executive offices or registered office of the Company, and shall be deemed to have been given and made on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (Vancouver time) and otherwise on the next business day; or
  - (ii) by fax transmission to the publicly available fax number of the Company and shall be deemed to have been given and made at the time of transmission; or
  - (iii) by email to the publicly available email address of the secretary and shall be deemed to have been given and received two (2) hours following the time of transmission.
- (g) *Defective Nomination Determination.* The chair of any meeting of shareholders of the Company shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this Article 12.11, and if any proposed nomination is not in compliance with such provisions, must as soon as practicable following receipt of such nomination and prior to the meeting declare that such defective nomination shall not be considered at any meeting of shareholders.
- (h) *Failure to Appear.* Despite any other provision of this Article 12.11, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of shareholders of the Company to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Company.
- (i) *Waiver.* The board may, in its sole discretion, waive any requirement in this Article 12.11.
- (j) *Definitions.* For the purposes of this Article 12.11, "public announcement" includes (without limitation) an announcement lodged with the announcements platform of the ASX.

## **12.12 Ordinary Resolutions.**

While the Company is admitted to the Official List, if a matter or resolution is required to be approved by the shareholders by an ordinary resolution, that ordinary resolution must be obtained at a meeting of shareholders held in accordance with the *Business Corporations Act* and these Articles.

## **PART 13 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

### **13.1 Special Business.**

At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
  - (i) business relating to the conduct of, or voting at, the meeting;
  - (ii) consideration of any financial statements of the Company presented to the meeting;

- (iii) consideration of any reports of the directors or auditor;
- (iv) the setting or changing of the number of directors;
- (v) the election or appointment of directors;
- (vi) the appointment of an auditor;
- (vii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
- (viii) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

### **13.2 Special Majority and Special Resolution**

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution and where a special majority is required it shall be the affirmative vote of three-quarters of the votes cast on the resolution. The majority of votes required for the Company to pass a special separate resolution at a class meeting or series meeting of shareholders of a class or series of shares is two-thirds of the votes cast on the resolution by those shareholders holding shares of that class or series entitled to vote on the resolution.

### **13.3 Quorum.**

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is present if one or more shareholders who, alone or in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting, are present in person, or represented by proxy (including at any meeting to be held in compliance with Article 12.5).

### **13.4 Sole Shareholder May Constitute Quorum.**

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder; and
- (b) that shareholder, present in person, or by proxy, may constitute the meeting (including at a meeting held in compliance with Article 12.5).

### **13.5 Meetings by Telephone or Other Communications Medium.**

A shareholder or proxy holder who is entitled to participate in, including vote at, a meeting of shareholders (including at a meeting held in compliance with Article 12.5) may participate in person, or by telephone or other communications medium if all shareholders and proxy holders participating in the meeting, whether in person, and/or by telephone or other communications medium, are able to communicate with each other. A shareholder who participates in a meeting in a manner contemplated by this Article 13.5 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present in person at the meeting and to have agreed to participate in that manner. Nothing in this Article 13.5 obligates the Company to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders. The Company may hold a meeting of its shareholders at two or more venues or virtually using any technology.

### **13.6 Other Persons May Attend.**

The directors, the officers, any lawyer for the Company, the auditor of the Company, any beneficial owner, and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

### **13.7 Requirement of Quorum.**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present (whether in person and/or by proxy) at the commencement of the meeting (including at a meeting held in compliance with Article 12.5)

### **13.8 Lack of Quorum.**

If, within one-half hour from the time set for the holding of a meeting of shareholders (including at a meeting held in compliance with Article 12.5), a quorum is not present (whether in person and/or by proxy):

- (a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved; and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place, or at such other date, time or location as the chair specifies on the adjournment.

### **13.9 Lack of Quorum at Succeeding Meeting.**

If, at the meeting to which the first meeting referred to in Article 13.8(b) was adjourned, a quorum is not present (whether in person and/or by proxy) within one-half hour from the time set for the holding of the adjourned meeting, the meeting is dissolved.

### **13.10 Chair.**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any; and
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the chief executive officer, if any.

### **13.11 Selection of Alternate Chair.**

If, at any meeting of shareholders, there is no chair of the board or chief executive officer present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the chief executive officer are unwilling to act as chair of the meeting, or if the chair of the board and the chief executive officer have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person and/or by proxy may choose any person present in person at the meeting to chair the meeting (or any person participating at a meeting held in compliance with Article 12.5)

### **13.12 Adjournments.**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **13.13 Notice of Adjourned Meeting.**

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

### **13.14 Electronic Voting.**

Any vote at a meeting of shareholders may be held entirely or partially by means of telephonic, electronic or other communications facilities if the directors determine to make them available, whether or not persons entitled to attend participate in the meeting by means of telephonic, electronic or other communications facilities.

#### **13.15 Decisions by Show of Hands or Poll.**

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands or the functional equivalent of a show of hands by means of telephonic, electronic or other communications facilities, unless a poll, before or on the declaration of the result of the vote by show of hands (or its functional equivalent), is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy (or participating at a meeting held in compliance with Article 12.5)

#### **13.16 Declaration of Result.**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands (or its functional equivalent) or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 13.14, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

#### **13.17 Motion Need Not Be Seconded.**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

#### **13.18 Casting Vote.**

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

#### **13.19 Manner of Taking a Poll.**

Subject to Article 13.20, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
  - (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
  - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be a resolution of and passed at the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn by the person who demanded it.

#### **13.20 Demand for a Poll on Adjournment.**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

#### **13.21 Chair Must Resolve Dispute.**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

### **13.22 Casting of Votes.**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

### **13.23 Demand for Poll.**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

### **13.24 Demand for a Poll Not to Prevent Continuation of Meeting.**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### **13.25 Retention of Ballots and Proxies.**

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during statutory business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

## **PART 14 VOTES OF SHAREHOLDERS**

### **14.1 Number of Votes by Shareholder or by Shares.**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 14.3:

- (a) on a vote by show of hands (or its functional equivalent), every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote, and
- (b) on a poll, every shareholder entitled to vote has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote in person or by proxy (including at a meeting held in compliance with Article 12.5).

### **14.2 Votes of Persons in Representative Capacity.**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is the legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

### **14.3 Votes by Joint Shareholders.**

If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders may vote at any meeting (including at a meeting held in compliance with Article 12.5) personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting (including at a meeting held in compliance with Article 12.5), personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

#### **14.4 Legal Personal Representatives as Joint Shareholders.**

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 14.3, deemed to be joint shareholders.

#### **14.5 Representative of a Corporate Shareholder.**

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company (including at a meeting held in compliance with Article 12.5) and to attend such meeting in person, and:

- (a) for that purpose, the instrument appointing a representative must:
  - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies or, if no number is specified, two days before the day set for the holding of the meeting; or
  - (ii) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting; and
- (b) if a representative is appointed under this Article 14.5:
  - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
  - (ii) the representative, if present at the meeting in person (including at a meeting held in compliance with Article 12.5), is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

#### **14.6 Appointment of Proxy Holder.**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy. Without limiting the foregoing, whilst the Depositary Nominee is a shareholder, it may (without limiting its other rights in this Article including those in the prior sentence), by proxy, appoint one or more beneficial owners (and persons nominated by beneficial owners) as proxy holders, subject to and in accordance with the ASX Settlement Operating Rules, to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

#### **14.7 Alternate Proxy Holders.**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

#### **14.8 Proxy Holder Need Not Be Shareholder.**

A person who is not a shareholder may be appointed as a proxy holder.

#### **14.9 Deposit of Proxy.**

A proxy for a meeting of shareholders must:



- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
- (b) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages or by using such available telephone or internet voting services as may be approved by the directors.

#### **14.10 Validity of Proxy Vote.**

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) by the chair of the meeting, before the vote is taken.

#### **14.11 Form of Proxy.**

A proxy, whether for a specified meeting or otherwise, must be in a form approved by the directors or the chair of the meeting.

#### **14.12 Revocation of Proxy.**

Subject to Article 14.13, every proxy may be revoked by an instrument in writing that is:

- (a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) provided, at the meeting, to the chair of the meeting.

#### **14.13 Revocation of Proxy Must Be Signed.**

An instrument referred to in Article 14.12 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy; or
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 14.5.

#### **14.14 Production of Evidence of Authority to Vote.**

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

## **PART 15 DIRECTORS**

### **15.1 Number of Directors.**

The Company shall have a minimum of one (1) director (unless it is a public company, in which case it shall have a minimum of three (3) directors) and a maximum of ten (10) directors. The number of directors is the number within the minimum and maximum determined by the directors from time to time. If the number of directors has not been determined as provided in this section, the number of directors is the number of directors holding office immediately following the most recent election or appointment of directors, whether at an annual or special general meeting of the shareholders, or by the directors pursuant to Article 16.8.

### **15.2 Change in Number of Directors.**

If the number of directors is set under Article 15.1:

- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; or
- (b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

No decrease in the number of directors will shorten the term of an incumbent director.

### **15.3 Directors' Acts Valid Despite Vacancy.**

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

### **15.4 Qualifications of Directors.**

A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

### **15.5 Remuneration of Directors.**

The directors are entitled to the remuneration for acting as directors, if any, as the board may from time to time determine. If the board so decides, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

### **15.6 Reimbursement of Expenses of Directors.**

The Company must reimburse each director for the reasonable expenses that he or she incurs in his or her capacity as director in and about the business of the Company.

### **15.7 Special Remuneration for Directors.**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director he or she may be paid remuneration (being "special exertion" fees) fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

### **15.8 Gratuity, Pension or Allowance on Retirement of Director.**

Unless otherwise determined by ordinary resolution, the directors may authorize the Company to pay a gratuity or

pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

## **PART 16 ELECTION AND REMOVAL OF DIRECTORS**

### **16.1 Election at Annual General Meeting.**

At every annual general meeting and in every unanimous resolution contemplated by Article 12.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph 16.1(a) but are eligible for re-election or re-appointment.

### **16.2 Consent to be a Director.**

No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*; or
- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director.

### **16.3 Failure to Elect or Appoint Directors.**

If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 12.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 12.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (c) the date on which his or her successor is elected or appointed; and
- (d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

### **16.4 Places of Retiring Directors Not Filled.**

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose.

### **16.5 Directors May Fill Casual Vacancies.**

Any casual vacancy occurring in the board of directors may be filled by the directors.

## **16.6 Remaining Directors Power to Act.**

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

## **16.7 Shareholders May Fill Vacancies.**

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

## **16.8 Additional Directors.**

Notwithstanding Articles 15.1 and 15.2, between annual general meetings or unanimous resolutions contemplated by Article 12.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 16.8 must not at any time exceed:

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 16.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 16.1(a), but is eligible for re-election or re-appointment.

## **16.9 Ceasing to be a Director.**

A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to Articles 16.10 or 16.11.

## **16.10 Removal of Director by Shareholders.**

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

## **16.11 Removal of Director by Directors.**

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

**PART 17  
POWERS AND DUTIES OF DIRECTORS**

**17.1 Powers of Management.**

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

**17.2 Appointment of Attorney of Company.**

The directors exclusively may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

**PART 18  
DISCLOSURE OF INTEREST OF DIRECTORS**

**18.1 Obligation to Account for Profits.**

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

**18.2 Restrictions on Voting by Reason of Interest.**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

**18.3 Interested Director Counted in Quorum.**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

**18.4 Disclosure of Conflict of Interest or Property.**

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

**18.5 Director Holding Other Office in the Company.**

A director may hold any office or place of profit with the Company, other than the office of auditor of the

Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

#### **18.6 No Disqualification.**

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

#### **18.7 Professional Services by Director or Officer.**

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

#### **18.8 Director or Officer in Other Corporations.**

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

### **PART 19 PROCEEDINGS OF DIRECTORS**

#### **19.1 Meetings of Directors.**

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place, at the time and on the notice, if any, that the board may by resolution from time to time determine.

#### **19.2 Voting at Meetings.**

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

#### **19.3 Chair of Meetings.**

Meetings of directors are to be chaired by:

- (a) the chair of the board, if any;
- (b) in the absence of the chair of the board, the chief executive officer, if any, if the chief executive officer is a director; or
- (c) any other director chosen by the directors if:
  - (i) neither the chair of the board nor the chief executive officer, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (ii) neither the chair of the board nor the chief executive officer, if a director, is willing to chair the meeting; or
  - (iii) the chair of the board and the chief executive officer, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

#### **19.4 Meetings by Telephone or Other Communications Medium.**

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone or other communications medium if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 19.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

#### **19.5 Calling of Meetings.**

A director may, and the secretary or an assistant secretary, if any, on the request of a director must, call a meeting of the directors at any time.

#### **19.6 Notice of Meetings.**

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 19.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in Article 25.1 or orally or by telephone.

#### **19.7 When Notice Not Required.**

It is not necessary to give notice of a meeting of the directors to a director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed; or
- (b) the director has waived notice of the meeting.

#### **19.8 Meeting Valid Despite Failure to Give Notice.**

The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

#### **19.9 Waiver of Notice of Meetings.**

Any director may file with the Company a document signed by the director waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal. After sending a waiver with respect to all future meetings of the directors, and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director.

#### **19.10 Quorum.**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at majority of the number of directors then in office, or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

#### **19.11 Validity of Acts Where Appointment Defective.**

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

#### **19.12 Consent Resolutions in Writing.**

A resolution of the directors or of any committee of the directors consented to in writing by all of the directors entitled to vote on it, whether by signed document, fax, email or any other method of transmitting legibly recorded messages, is as valid and effective as if it had been passed at a meeting of the directors or of the committee of

the directors duly called and held. Such resolution may be in two or more counterparts which together are deemed to constitute one resolution in writing. A resolution passed in that manner is effective on the date stated in the resolution or, if no date is stated in the resolution, on the latest date stated on any counterpart. A resolution of the directors or of any committee of the directors passed in accordance with this Article 19.12 is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## **PART 20 EXECUTIVE AND OTHER COMMITTEES**

### **20.1 Appointment and Powers of Executive Committee.**

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (a) the power to fill vacancies in the board of directors;
- (b) the power to remove a director;
- (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (d) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

### **20.2 Appointment and Powers of Other Committees.**

The directors may, by resolution,

- (a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under paragraph 20.2(a) any of the directors' powers, except:
  - (i) the power to fill vacancies in the board of directors;
  - (ii) the power to remove a director;
  - (iii) the power to change the membership of, or fill vacancies in, any committee of the board, and
  - (iv) the power to appoint or remove officers appointed by the board; and
- (c) make any delegation referred to in paragraph 20.2(b) subject to the conditions set out in the resolution.

### **20.3 Obligations of Committee.**

Any committee appointed under Articles 20.1 or 20.2, in the exercise of the powers delegated to it, must

- (a) conform to any rules that may from time to time be imposed on it by the directors; and
- (b) report every act or thing done in exercise of those powers as the directors may require.

### **20.4 Powers of Board.**



The directors may, at any time, with respect to a committee appointed under Articles 20.1 or 20.2:

- (a) revoke or alter the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation, alteration or overriding;
- (b) terminate the appointment of, or change the membership of, a committee; and
- (c) fill vacancies on a committee.

#### **20.5 Committee Meetings.**

Subject to Article 20.3(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 20.1 or 20.2:

- (a) the committee may meet and adjourn as it thinks proper;
- (b) the committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (c) a majority of the members of a directors' committee constitutes a quorum of the committee; and
- (d) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

### **PART 21 OFFICERS**

#### **21.1 Appointment of Officers.**

The directors may, from time to time, appoint such officers, if any, as the directors determine, and the directors may, at any time, terminate any such appointment.

#### **21.2 Functions, Duties and Powers of Officers.**

The directors may, for each officer:

- (a) determine the functions and duties of the officer;
- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

#### **21.3 Qualifications.**

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any officer need not be a director.

#### **21.4 Remuneration.**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

**PART 22**  
**INDEMNIFICATION**

**22.1 Definitions.**

In this Part 22:

- (a) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (b) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director of the Company or an affiliate of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director of the Company or an affiliate of the Company:
  - (i) is or may be joined as a party; or
  - (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (c) "expenses" has the meaning set out in the *Business Corporations Act*.

**22.2 Mandatory Indemnification of Directors and Former Directors.**

Subject to the *Business Corporations Act*, the Company must indemnify and advance expenses of a director or former director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 22.2.

**22.3 Indemnification of Other Persons.**

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person, including for the avoidance of doubt, any officer or former officer.

**22.4 Non-Compliance with *Business Corporations Act*.**

The failure of a director or former director of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

**22.5 Company May Purchase Insurance.**

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (a) is or was a director, officer, employee or agent of the Company;
- (b) is or was a director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (c) at the request of the Company, is or was a director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (d) at the request of the Company, holds or held a position equivalent to that of a director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, officer, employee or agent or person who holds or held such equivalent position.

## **PART 23 DIVIDENDS**

### **23.1 Payment of Dividends Subject to Special Rights.**

The provisions of this Part 23 are subject to the Listing Rules, Part 4, any Restriction Deed, and the rights, if any, of shareholders holding shares with special rights as to dividends.

### **23.2 Declaration of Dividends.**

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

### **23.3 No Notice Required.**

The directors need not give notice to any shareholder of any declaration under Article 23.2.

### **23.4 Record Date.**

The directors may, but are not required to, set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

### **23.5 Manner of Paying Dividend.**

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of paid up shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

### **23.6 Settlement of Difficulties.**

If any difficulty arises in regard to a distribution under Article 23.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (a) set the value for distribution of specific assets;
- (b) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (c) vest any such specific assets in trustees for the persons entitled to the dividend.

### **23.7 When Dividend Payable.**

Any dividend may be made payable on such date as is fixed by the directors.

### **23.8 Dividends to be Paid in Accordance with Number of Shares.**

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

### **23.9 Receipt by Joint Shareholders.**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any

dividend, bonus or other money payable in respect of the share.

#### **23.10 Dividend Bears No Interest.**

No dividend bears interest against the Company.

#### **23.11 Fractional Dividends.**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

#### **23.12 Payment of Dividends.**

Any dividend or other distribution payable in respect of shares may be paid by cheque or by electronic means or by such other method as the directors may determine. The payment will be made to or to the order of the registered holder of shares in respect of which the payment is to be made. Cheques will be sent to the registered address of the shareholder, unless the shareholder directs otherwise. In the case of joint shareholders, the payment will be made to the order of all such joint holders and, if applicable, sent to them at the registered address of the joint shareholder who is first named on the central securities register, unless such joint holders may direct otherwise. The sending of such cheque or the sending of payment by electronic means or the sending of the payment by a method determined by the directors in an amount equal to the dividend or other distribution to be paid less any tax that the Company is required to withhold will satisfy and discharge all liability for the dividend or other distribution unless payment is not made on presentation, if applicable, or the amount of tax so deducted is not paid to the appropriate taxing authority.

#### **23.13 Capitalization of Surplus.**

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

#### **23.14 Unclaimed Dividends.**

Any dividend unclaimed after a period of six years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Company. The Company shall not be liable to any person in respect of any dividend which is forfeited to the Company or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

### **PART 24 DOCUMENTS, RECORDS AND REPORTS**

#### **24.1 Recording of Financial Affairs.**

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

#### **24.2 Inspection of Accounting Records.**

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

#### **24.3 Remuneration of Auditors.**

The remuneration of the auditors, if any, shall be set by the directors regardless of whether the auditor is appointed by the shareholders, by the directors or otherwise. For greater certainty, the directors may delegate to the audit committee or other committee the power to set the remuneration of the auditors.

**PART 25  
NOTICES**

**25.1 Method of Giving Notice.**

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (a) mail addressed to the person at the applicable address for that person as follows:
  - (i) for a record mailed to a shareholder, the shareholder's registered address;
  - (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
  - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
  - (i) for a record delivered to a shareholder, the shareholder's registered address;
  - (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
  - (iii) in any other case, the delivery address of the intended recipient;
- (c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) sending the record, or a reference providing the intended recipient with immediate access to the record, by email or other form of electronic communication to an address provided by the intended recipient for the sending of that record or records of that class;
- (e) sending the record by any method of transmitting legibly recorded messages, including without limitation by digital medium, magnetic medium, optical medium, mechanical reproduction or graphic imaging, to an address provided by the intended recipient for the sending of that record or records of that class;
- (f) physical delivery to the intended recipient; or
- (g) as otherwise permitted by applicable securities legislation.

**25.2 Deemed Receipt.**

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 25.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by email or other form of electronic communication, on the day of transmittal thereof if given during statutory business hours on the day which statutory business hours next occur if not given during such hours on any day.

**25.3 Certificate of Sending.**

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by

Article 25.1, prepaid and mailed or otherwise sent as permitted by Article 25.1 is conclusive evidence of that fact.

#### **25.4 Notice to Joint Shareholders.**

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

#### **25.5 Notice to Trustees.**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
  - (i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
  - (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in paragraph 25.5(a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

### **PART 26 SEAL**

#### **26.1 Who May Attest Seal.**

Except as provided in Articles 26.2 and 26.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of:

- (a) any two directors;
- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by resolution of the directors.

#### **26.2 Sealing Copies.**

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 26.1, the impression of the seal may be attested by the signature of any director or officer.

#### **26.3 Mechanical Reproduction of Seal.**

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or

interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

#### **26.4 Seal Not Required.**

Notwithstanding the above provisions of this Part 26, the Company is not required to have a seal.

### **PART 27 PROVISIONS OF EXCHANGE RULES**

#### **27.1 ASX Listing Rules**

If the Company is admitted to the Official List, the following clauses apply:

- (a) notwithstanding anything contained in these Articles, if the Listing Rules prohibit an act being done, the act shall not be done;
- (b) nothing contained in these Articles prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require these Articles to contain a provision and these Articles do not contain such a provision, these Articles are deemed to contain that provision;
- (e) if the Listing Rules require these Articles not to contain a provision and these Articles contain such a provision, these Articles are deemed not to contain that provision; and
- (f) if any provision of these Articles is or becomes inconsistent with the Listing Rules, these Articles are deemed not to contain that provision to the extent of the inconsistency.

#### **27.2 Other Stock Exchange Rules**

If the Company is listed on any other stock exchange, including the TSX Venture Exchange, the Company must comply with the rules of such exchange (the "**Exchange Rules**") and the following clauses apply:

- (a) notwithstanding anything contained in these Articles, if the Exchange Rules prohibit an act being done, the act shall not be done;
- (b) nothing contained in these Articles prevents an act being done that the Exchange Rules require to be done;
- (c) if the Exchange Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Exchange Rules require these Articles to contain a provision and these Articles do not contain such a provision, these Articles are deemed to contain that provision;
- (e) if the Exchange Rules require these Articles not to contain a provision and these Articles contain such a provision, these Articles are deemed not to contain that provision; and
- (f) if any provision of these Articles is or becomes inconsistent with the Exchange Rules, these Articles are deemed not to contain that provision to the extent of the inconsistency.

## TABLE OF CONTENTS

	Page
<b>PART 1 INTERPRETATION.....</b>	<b>2</b>
1.1    Definitions.....	2
1.2 <i>Business Corporations Act</i> Definitions Apply .....	3
1.3 <i>Interpretation Act</i> Applies .....	3
1.4    Conflict in Definitions.....	3
1.5    Conflict Between Articles and Legislation.....	3
1.6    ASX Listing Rules.....	3
1.7    Electronic signatures.....	3
<b>PART 2 SHARES AND SHARE CERTIFICATES .....</b>	<b>4</b>
2.1    Authorized Share Structure.....	4
2.2    Form of Share Certificate.....	4
2.3    Right to Share Certificate or Acknowledgement.....	4
2.4    Sending of Share Certificate.....	4
2.5    Replacement of Worn Out or Defaced Certificate.....	4
2.6    Replacement of Lost, Stolen or Destroyed Certificate.....	4
2.7    Recovery of New Share Certificate.....	5
2.8    Splitting Share Certificates.....	5
2.9    Certificate Fee.....	5
2.10   Recognition of Trusts.....	5
<b>PART 3 ISSUE OF SHARES .....</b>	<b>5</b>
3.1    Directors Authorized to Issue Shares.....	5
3.2    Commissions and Discounts.....	5
3.3    Brokerage.....	6
3.4    Conditions of Issue.....	6
3.5    Warrants, Options and Rights.....	6
3.6    Fractional Shares.....	6
<b>PART 4 RESTRICTED SECURITIES .....</b>	<b>6</b>
4.1    Restricted Securities and Agreements.....	6
<b>PART 5 SHARE REGISTERS.....</b>	<b>7</b>
5.1    Central Securities Register.....	7
5.2    Branch Registers.....	7
5.3    Appointment of Agents.....	7
5.4    Closing Register.....	7
<b>PART 6 SMALL HOLDINGS.....</b>	<b>7</b>
6.1    Application and interpretation.....	7
6.2    Existing Small Holdings.....	7
6.3    New Small Holdings.....	8
6.4    Extinguishment of interests and claims.....	8
6.5    Manner of sale.....	8
6.6    Application of proceeds.....	9
<b>PART 7 SHARE TRANSFERS AND NOTIFICATION .....</b>	<b>9</b>
7.1    Recording or Registering Transfer.....	9
7.2    Form of Instrument of Transfer.....	10
7.3    Transferor Remains Shareholder.....	10
7.4    Signing of Instrument of Transfer.....	10
7.5    Enquiry as to Title Not Required.....	10



## TABLE OF CONTENTS

(continued)

Page

7.6	Transfer Fee.....	10
<b>PART 8 TRANSMISSION OF SHARES .....</b>		<b>10</b>
8.1	Legal Personal Representative Recognized on Death.....	10
8.2	Rights of Legal Personal Representative.....	10
<b>PART 9 PURCHASE OF SHARES.....</b>		<b>11</b>
9.1	Company Authorized to Purchase its Own Shares.....	11
9.2	Purchase, Redemption or Other Acquisition When Insolvent.....	11
9.3	Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares.....	11
<b>PART 10 BORROWING POWERS.....</b>		<b>11</b>
10.1	Powers of Directors.....	11
10.2	Terms of Debt Instruments.....	11
10.3	Delegation by Directors.....	12
<b>PART 11 ALTERATIONS.....</b>		<b>12</b>
11.1	Alteration of Authorized Share Structure.....	12
11.2	Special Rights and Restrictions.....	12
11.3	Change of Name.....	13
11.4	Alterations to Articles.....	13
11.5	Alterations to Notice of Articles.....	13
<b>PART 12 MEETINGS OF SHAREHOLDERS.....</b>		<b>13</b>
12.1	Annual General Meetings.....	13
12.2	Resolution Instead of Annual General Meeting.....	13
12.3	Calling of Shareholder Meetings.....	13
12.4	Location of Shareholder Meetings.....	13
12.5	Electronic Meetings.....	13
12.6	Notice for Meetings of Shareholders.....	13
12.7	Record Date for Notice.....	14
12.8	Record Date for Voting.....	14
12.9	Failure to Give Notice and Waiver of Notice.....	14
12.10	Notice of Special Business at Meetings of Shareholders.....	14
12.11	Advance Notice Provisions.....	14
12.12	Ordinary Resolutions.....	17
<b>PART 13 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS .....</b>		<b>17</b>
13.1	Special Business.....	17
13.2	Special Majority and Special Resolution.....	18
13.3	Quorum.....	18
13.4	Sole Shareholder May Constitute Quorum.....	18
13.5	Meetings by Telephone or Other Communications Medium.....	18
13.6	Other Persons May Attend.....	18
13.7	Requirement of Quorum.....	19
13.8	Lack of Quorum.....	19
13.9	Lack of Quorum at Succeeding Meeting.....	19
13.10	Chair.....	19
13.11	Selection of Alternate Chair.....	19
13.12	Adjournments.....	19
13.13	Notice of Adjourned Meeting.....	19
13.14	Electronic Voting.....	19
13.15	Decisions by Show of Hands or Poll.....	20

## TABLE OF CONTENTS

(continued)

Page

13.16	Declaration of Result .....	20
13.17	Motion Need Not Be Seconded .....	20
13.18	Casting Vote .....	20
13.19	Manner of Taking a Poll .....	20
13.20	Demand for a Poll on Adjournment .....	20
13.21	Chair Must Resolve Dispute .....	20
13.22	Casting of Votes .....	21
13.23	Demand for Poll .....	21
13.24	Demand for a Poll Not to Prevent Continuation of Meeting .....	21
13.25	Retention of Ballots and Proxies .....	21
<b>PART 14 VOTES OF SHAREHOLDERS .....</b>		<b>21</b>
14.1	Number of Votes by Shareholder or by Shares .....	21
14.2	Votes of Persons in Representative Capacity .....	21
14.3	Votes by Joint Shareholders .....	21
14.4	Legal Personal Representatives as Joint Shareholders .....	22
14.5	Representative of a Corporate Shareholder .....	22
14.6	Appointment of Proxy Holder .....	22
14.7	Alternate Proxy Holders .....	22
14.8	Proxy Holder Need Not Be Shareholder .....	22
14.9	Deposit of Proxy .....	22
14.10	Validity of Proxy Vote .....	23
14.11	Form of Proxy .....	23
14.12	Revocation of Proxy .....	23
14.13	Revocation of Proxy Must Be Signed .....	23
14.14	Production of Evidence of Authority to Vote .....	23
<b>PART 15 DIRECTORS .....</b>		<b>24</b>
15.1	Number of Directors .....	24
15.2	Change in Number of Directors .....	24
15.3	Directors' Acts Valid Despite Vacancy .....	24
15.4	Qualifications of Directors .....	24
15.5	Remuneration of Directors .....	24
15.6	Reimbursement of Expenses of Directors .....	24
15.7	Special Remuneration for Directors .....	24
15.8	Gratuity, Pension or Allowance on Retirement of Director .....	24
<b>PART 16 ELECTION AND REMOVAL OF DIRECTORS .....</b>		<b>25</b>
16.1	Election at Annual General Meeting .....	25
16.2	Consent to be a Director .....	25
16.3	Failure to Elect or Appoint Directors .....	25
16.4	Places of Retiring Directors Not Filled .....	25
16.5	Directors May Fill Casual Vacancies .....	25
16.6	Remaining Directors Power to Act .....	26
16.7	Shareholders May Fill Vacancies .....	26
16.8	Additional Directors .....	26
16.9	Ceasing to be a Director .....	26
16.10	Removal of Director by Shareholders .....	26
16.11	Removal of Director by Directors .....	26
<b>PART 17 POWERS AND DUTIES OF DIRECTORS .....</b>		<b>27</b>
17.1	Powers of Management .....	27
17.2	Appointment of Attorney of Company .....	27

## TABLE OF CONTENTS

(continued)

Page

<b>PART 18 DISCLOSURE OF INTEREST OF DIRECTORS .....</b>	<b>27</b>
18.1    Obligation to Account for Profits .....	27
18.2    Restrictions on Voting by Reason of Interest .....	27
18.3    Interested Director Counted in Quorum .....	27
18.4    Disclosure of Conflict of Interest or Property .....	27
18.5    Director Holding Other Office in the Company .....	27
18.6    No Disqualification .....	28
18.7    Professional Services by Director or Officer .....	28
18.8    Director or Officer in Other Corporations .....	28
<b>PART 19 PROCEEDINGS OF DIRECTORS .....</b>	<b>28</b>
19.1    Meetings of Directors .....	28
19.2    Voting at Meetings .....	28
19.3    Chair of Meetings .....	28
19.4    Meetings by Telephone or Other Communications Medium .....	29
19.5    Calling of Meetings .....	29
19.6    Notice of Meetings .....	29
19.7    When Notice Not Required .....	29
19.8    Meeting Valid Despite Failure to Give Notice .....	29
19.9    Waiver of Notice of Meetings .....	29
19.10    Quorum .....	29
19.11    Validity of Acts Where Appointment Defective .....	29
19.12    Consent Resolutions in Writing .....	29
<b>PART 20 EXECUTIVE AND OTHER COMMITTEES .....</b>	<b>30</b>
20.1    Appointment and Powers of Executive Committee .....	30
20.2    Appointment and Powers of Other Committees .....	30
20.3    Obligations of Committee .....	30
20.4    Powers of Board .....	30
20.5    Committee Meetings .....	31
<b>PART 21 OFFICERS .....</b>	<b>31</b>
21.1    Appointment of Officers .....	31
21.2    Functions, Duties and Powers of Officers .....	31
21.3    Qualifications .....	31
21.4    Remuneration .....	31
<b>PART 22 INDEMNIFICATION .....</b>	<b>32</b>
22.1    Definitions .....	32
22.2    Mandatory Indemnification of Directors and Former Directors .....	32
22.3    Indemnification of Other Persons .....	32
22.4    Non-Compliance with <i>Business Corporations Act</i> .....	32
22.5    Company May Purchase Insurance .....	32
<b>PART 23 DIVIDENDS .....</b>	<b>33</b>
23.1    Payment of Dividends Subject to Special Rights .....	33
23.2    Declaration of Dividends .....	33
23.3    No Notice Required .....	33
23.4    Record Date .....	33
23.5    Manner of Paying Dividend .....	33
23.6    Settlement of Difficulties .....	33
23.7    When Dividend Payable .....	33
23.8    Dividends to be Paid in Accordance with Number of Shares .....	33

## TABLE OF CONTENTS

(continued)

Page

23.9	Receipt by Joint Shareholders.....	33
23.10	Dividend Bears No Interest.....	34
23.11	Fractional Dividends.....	34
23.12	Payment of Dividends.....	34
23.13	Capitalization of Surplus.....	34
23.14	Unclaimed Dividends.....	34
<b>PART 24 DOCUMENTS, RECORDS AND REPORTS.....</b>		<b>34</b>
24.1	Recording of Financial Affairs.....	34
24.2	Inspection of Accounting Records.....	34
24.3	Remuneration of Auditors.....	34
<b>PART 25 NOTICES 35</b>		
25.1	Method of Giving Notice.....	35
25.2	Deemed Receipt.....	35
25.3	Certificate of Sending.....	35
25.4	Notice to Joint Shareholders.....	36
25.5	Notice to Trustees.....	36
<b>PART 26 SEAL 36</b>		
26.1	Who May Attest Seal.....	36
26.2	Sealing Copies.....	36
26.3	Mechanical Reproduction of Seal.....	36
26.4	Seal Not Required.....	37
<b>PART 27 PROVISIONS OF EXCHANGE RULES.....</b>		<b>37</b>
27.1	ASX Listing Rules.....	37
27.2	Other Stock Exchange Rules.....	37

**SCHEDULE C**  
**EQUITY INCENTIVE PLAN**

See Attached.

**ALTAN RIO MINERALS LIMITED**

**EQUITY INCENTIVE PLAN**

Adopted with effect as at [●]

## TABLE OF CONTENTS

### PART A - GENERAL

#### ARTICLE 1 PREAMBLE, DEFINITIONS AND INTERPRETATION

Section 1.1	Title.....	1
Section 1.2	Purpose of this Plan.....	1
Section 1.3	Gender, Singular, Plural.....	1
Section 1.4	Headings, Sections.....	1
Section 1.5	References to Statutes, Etc.....	1
Section 1.6	References to Shares and CDIs.....	1
Section 1.7	Rules for Administration and Interpretation.....	1
Section 1.8	Definitions.....	1

### PART B – PERFORMANCE RIGHTS

#### ARTICLE 2 PERFORMANCE RIGHTS GRANTS AND PERFORMANCE PERIODS

Section 2.1	Grant of Performance Rights.....	6
Section 2.2	Performance Period and Vesting Hurdles.....	7
Section 2.3	Redemption Period.....	7
Section 2.4	Performance Right Register.....	7
Section 2.5	Cancellation of Performance Rights that Fail to Vest or Are Redeemed.....	7

#### ARTICLE 3 VESTING OF PERFORMANCE RIGHTS

Section 3.1	Vesting.....	7
Section 3.2	Vesting on Death, Retirement, Disability or Termination without Cause.....	8
Section 3.3	Employment or Consulting Contracts.....	8
Section 3.4	Acknowledgement.....	8

#### ARTICLE 4 REDEMPTION OF PERFORMANCE RIGHTS

Section 4.1	Eligible Participant Continuing in Employment or Under Contract.....	8
Section 4.2	Redemption on Death, Retirement, Disability or Termination without Cause.....	8
Section 4.3	Termination for Cause and Voluntary Termination; Bad Leaver.....	9

### PART C – OPTIONS

#### ARTICLE 5 OPTION GRANTS

Section 5.1	Grant of Options.....	9
Section 5.2	Option Exercise Price and Expiry Date.....	9
Section 5.3	Option Performance Period and Vesting Hurdles.....	10
Section 5.4	Option Exercise Period.....	10
Section 5.5	Option Register.....	10
Section 5.6	Cancellation of Options that Fail to Vest or be Exercised.....	10
Section 5.7	Evidence of Options.....	10

#### ARTICLE 6 OPTION VESTING

Section 6.1	Option Vesting.....	11
-------------	---------------------	----

Section 6.2	Vesting on Death, Retirement, Disability or Termination without Cause .....	11
Section 6.3	Vesting following Termination for Cause and Voluntary Termination .....	11
Section 6.4	Employment or Consulting Contracts .....	11

**ARTICLE 7  
OPTION EXERCISE**

Section 7.1	Option Exercise Rights .....	11
Section 7.2	Exercise following Death, Retirement, Disability or Termination without Cause .....	12
Section 7.3	Exercise following Termination for Cause and Voluntary Termination; Bad Leaver..	12
Section 7.4	Option Tax Matters.....	12
Section 7.5	Expiry of Option.....	13

**PART D – PROVISIONS AFFECTING PERFORMANCE RIGHTS AND OPTIONS**

**ARTICLE 8  
NUMBER OF SHARES, LIMITATIONS, ADJUSTMENTS AND CHANGE OF CONTROL**

For purposes of this ARTICLE 8, any reference to the Board does not include a reference to a Committee. 13

Section 8.1	Shares Subject to Plan .....	13
Section 8.2	Limitations .....	14
Section 8.3	Adjustments .....	14
Section 8.4	Change of Control.....	15
Section 8.5	Adjustments for Reorganization, Amalgamation, Merger, etc.....	15

**ARTICLE 9  
PROVISIONS AFFECTING PERFORMANCE RIGHTS AND OPTIONS**

Section 9.1	Compliance with Applicable Law and Regulatory Rules .....	16
Section 9.2	Transferability of Performance Rights and Options.....	16

**PART E – ADMINISTRATION AND GENERAL**

**ARTICLE 10  
ADMINISTRATION AND AMENDMENT**

Section 10.1	Administration by Board.....	16
Section 10.2	Amendments .....	17
Section 10.3	Amendments not to Contravene .....	17

**ARTICLE 11  
GENERAL**

Section 11.1	No Right to Shares or CDIs .....	18
Section 11.2	Reservation of Shares or CDIs .....	18
Section 11.3	Stock Certificates .....	18
Section 11.4	No Fractional Shares .....	18
Section 11.5	No Continued Service .....	18
Section 11.6	Governing Law .....	18
Section 11.7	Severability.....	19
Section 11.8	Currency.....	19
Section 11.9	Compliance with Laws and Policies.....	19
Section 11.10	Withholdings.....	19
Section 11.11	Administration Costs .....	19
Section 11.12	No Obligation to Fund or Secure .....	19
Section 11.13	Supremacy .....	19
Section 11.14	Australian tax deferral .....	19
Section 11.15	Effective Date.....	19



**ADDENDA**

Schedule "A"  
Schedule "B"

Eligible Participant's Acknowledgement  
Option Grant Notice

## PART A - GENERAL

### ARTICLE 1 PREAMBLE, DEFINITIONS AND INTERPRETATION

#### Section 1.1 Title

This Plan shall be called the "Equity Incentive Plan" of Altan Rio Minerals Limited (the "**Company**") and shall have two subcomponents: a Performance Rights Plan and an Option Plan.

#### Section 1.2 Purpose of this Plan

The purposes of this Plan are to:

- (a) promote further alignment of interests between Eligible Participants and the shareholders of the Company; and
- (b) allow Eligible Participants to participate in the success of the Company over the short, medium and long term through the grant of Performance Rights and Options.

#### Section 1.3 Gender, Singular, Plural

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

#### Section 1.4 Headings, Sections

Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of this Plan, as applicable.

#### Section 1.5 References to Statutes, Etc.

Any reference to a statute, regulation, rule, instrument, or policy statement shall refer to such statute, regulation, rule, instrument, or policy statement as the same may be amended, replaced or re-enacted from time to time.

#### Section 1.6 References to Shares and CDIs

Any reference to a Share also includes a CDI, and a reference to a CDI also includes a Share, where the context permits or requires.

#### Section 1.7 Rules for Administration and Interpretation

The Board may enact rules and regulations relating to the administration and interpretation of this Plan and may amend such rules and regulations from time to time.

#### Section 1.8 Definitions

**"Affiliate"** means an **"affiliate"** as defined in the BCBCA.

**"Applicable Law"** means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, instruments, policy statements, rulings, notices, orders or other instruments promulgated thereunder, including for avoidance of doubt, the Regulatory Rules.

**"ASX"** means the Australian Securities Exchange.

**"ASX Listing Rules"** means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

**"Bad Leaver"** means unless, the Board determines otherwise, any Eligible Participant who ceases to be employed by, or associated with, the Company or an Affiliate of the Company due to any of the following:

- (a) termination for Cause; or
- (b) the Eligible Participant terminates his or her office or employment with the Company or an Affiliate of the Company for any reason other than as a Good Leaver.

**"BCBCA"** means the *Business Corporations Act* (British Columbia), as amended or supplemented.

**"Board"** means the board of directors of the Company, and where applicable, includes a Committee.

**"Cause"** means:

- (a) the failure of the Eligible Participant to perform, in a material respect, his or her duties and responsibilities, or to follow, in any material respect, the lawful policies, procedures, instructions or directions of the Company or any applicable Affiliate of the Company, except as may result from the Disability of the Eligible Participant, which failure is not cured by the Eligible Participant within ten (10) days of being advised of that failure in writing by the Company or an Affiliate of the Company, as applicable;
- (b) any fraudulent or violent activity on the part of the Eligible Participant;
- (c) the conviction of the Eligible Participant for any crime involving fraud, misrepresentation or breach of trust;
- (d) any financial impropriety, intentional dishonesty, breach of duty of loyalty or any intentional act on the part of the Eligible Participant in discharging his duties and responsibilities of employment whether or not having the effect of materially injuring the reputation, business or business relationships of the Company or an Affiliate of the Company; or
- (e) any other act constituting cause at common law, including Misconduct and serious Misconduct.

**"CDI"** means a CHESSE Depository Interest pursuant to which an underlying Share is issued and registered in the name of CHESSE Depository Nominees Pty Limited for the benefit of the holder of the CDI.

**"Change of Control"** means the occurrence of any one or more of the following events:

- (a) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares immediately prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction;

- (b) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Company and/or any of its subsidiaries which have an aggregate book value greater than 50% of the book value of the assets, rights and properties of the Company and its subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned subsidiary of the Company in the course of a reorganization of the assets of the Company and its subsidiaries;
- (c) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (d) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Shares which, when added to the Shares owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror to cast or to direct the casting of 50% or more of the votes attached to all of the Shares which may be cast to elect directors of the Company;
- (e) as a result of or in connection with: (A) a contested election of directors, or; (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company or any of its Affiliates and another corporation or other entity, the nominees named in the most recent notice and explanatory statement or management information circular of the Company for election to the Board shall not constitute a majority of the Board; or
- (f) the Board (acting reasonably) adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

**"Committee"** has the meaning ascribed thereto in Section 10.1(b).

**"Company"** has the meaning ascribed thereto in Section 1.1.

**"Consultant"** means an individual (other than an employee or a director of the Company) or company that is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company under a written contract between the Company or an Affiliate and the individual or the company.

**"Disability"** means, in the case of Eligible Participant of the Company or an Affiliate of the Company, the Eligible Participant's physical or mental long-term inability to substantially fulfil his or her duties and responsibilities on behalf of the Company or, if applicable, an Affiliate of the Company in respect of which the Eligible Participant commences receiving, or is eligible to receive, long-term disability benefits under a long-term disability plan of the Company or an Affiliate of the Company. In the case of an Eligible Participant who is not a member of a long-term disability plan of the Company or an Affiliate of the Company, "**Disability**" means a physical or mental impairment that prevents the Eligible Participant from engaging in any employment for which the Eligible Participant is reasonably suited by virtue of the Eligible Participant's education, training or experience and that can reasonably be expected to last for the remainder of the Eligible Participant's lifetime, as determined by the Board.

**"Eligible Participant"** means such directors, officers, employees, and Consultants of the Company or an Affiliate of the Company as the Board may designate from time to time as eligible to participate in this Plan.

**"Exercise Period"**, for an Option, means the period (following the Performance Period, if any) during which an Eligible Participant may elect to exercise a Vested Option to acquire a Share or CDI.

**"Existing Plan"** means the existing stock option plan of the Company dated January 23, 2012.

**"Good Leaver"** means, unless the Board determines otherwise, any Eligible Participant who ceases to be employed by, or associated with, the Company or an Affiliate of the Company (such that the Eligible Participant no longer holds even one office or employment with the Company or an Affiliate) due to any of the following:

- (a) genuine redundancy;
- (b) Retirement;
- (c) Disability;
- (d) death;
- (e) any other reason which the Board determines, on a case by case basis, in its absolute discretion results in the relevant participant being a "good leaver"; or
- (f) termination of employment without Cause.

**"Insider"** has the meaning ascribed thereto in the TSXV Policies.

**"Investor Relations Activities"** has the meaning ascribed thereto in the TSXV Policies.

**"Misconduct"** means any material violation of the Company's policies by an Eligible Participant, or any act or omission undertaken by an Eligible Participant, that is reasonably likely to expose the Company to material financial, business or reputational risk.

**"NI 45-106"** means National Instrument 45-106 – *Prospectus Exemptions*, as amended or replaced from time to time.

**"Official List"** means the Official List of the ASX.

**"Option"** means a right granted to an Eligible Participant to purchase a Share or a CDI from the Company (in each case for cash, subject to Section 7.2) as evidenced by the Option Register in accordance with the provisions hereof and a written a Option Grant Notice.

**"Option Expiry Date"** has the meaning ascribed thereto in Section 5.2(c).

**"Option Grant Notice"** has the meaning ascribed thereto in Section 5.7 the form of which is included as Schedule "B".

**"Option Register"** has the meaning ascribed thereto in Section 5.5.

**"Performance Period"** means a period as specified by the Board following which an Eligible Participant may become:

- (a) entitled to receive any Shares or CDIs issuable on account of redemption of Vested Performance Rights; or

(b) entitled to exercise a Vested Option to acquire a Share.

**"Performance Right Register"** has the meaning ascribed thereto in Section 2.4.

**"Performance Rights"** means rights granted to an Eligible Participant to receive Shares or CDIs in accordance with the provisions hereof as evidenced by the Performance Right Register and a written acknowledgement entered into between the Company and the Eligible Participant.

**"Plan"** means this Equity Incentive Plan, including any schedules or appendices hereto, all as amended or amended and restated from time to time.

**"Redemption Period"**, for a Performance Right, means the period following the Performance Period during which an Eligible Participant may elect to redeem a Vested Performance Right for a Share or CDI.

**"Regulatory Rules"** means, collectively, the ASX Listing Rules and the TSXV Policies.

**"Retirement"** means in the case of an employee of the Company or an Affiliate of the Company, the retirement of the Eligible Participant from employment with the Company or an Affiliate of the Company as applicable, and "retires" shall have a corresponding meaning. The determination of whether an Eligible Participant has retired shall be at the discretion of the Board.

**"Share"** means a fully paid common share of the Company as constituted on the date hereof and includes any rights attached thereto which trade therewith.

**"Termination Date"** means:

- (a) in the case of the death of an Eligible Participant, the date of death;
- (b) in the case of the Retirement of an Eligible Participant who is an employee of the Company or an Affiliate of the Company, the date on which the Eligible Participant retires in accordance with the normal retirement policies of the Company or an Affiliate of the Company;
- (c) in the case of the resignation by an Eligible Participant, the date of notice of resignation;
- (d) in the case of the Disability of an Eligible Participant who is an employee of the Company or an Affiliate of the Company, the date on which:
  - (i) the Eligible Participant commences receiving, or is eligible to receive, long-term disability benefits under a long-term disability plan of the Company or an Affiliate of the Company; or
  - (ii) if an Eligible Participant is not a member of a long-term disability plan of the Company or an Affiliate of the Company, the date that the Eligible Participant has suffered a physical or mental impairment that prevents the Eligible Participant from engaging in any employment for which the Eligible Participant is reasonably suited by virtue of the Eligible Participant's education, training or experience and that is reasonably expected to last for the remainder of the Eligible Participant's lifetime, as determined by the Board; and
- (e) in the case of an Eligible Participant being terminated without Cause or by mutual agreement, the date that is the later of:

- (i) the date of termination; and
  - (ii) the date on which any notice or otherwise binding severance period expires;
- (f) in the case of an Eligible Participant being terminated with Cause, the date of termination,

provided that if any date determined in accordance with the foregoing provisions is not a Trading Day, the Termination Date shall be the Trading Day immediately preceding the date of death, Retirement, Disability or termination without Cause.

**"Trading Day"** means any date on which the ASX is open for the trading of CDIs or any date on which the TSXV is open for trading of Shares.

**"TSXV"** means the TSXV Venture Exchange.

**"TSXV Policies"** means the TSXV Corporate Finance Manual, and any other policies, bulletins or rules of the TSXV which are applicable to the Company while the Shares are listed and posted for trading on the TSXV, each as amended or replaced from time to time, except to the extent of any express written waiver by the TSXV.

**"Vested Options"** has the meaning ascribed thereto in Section 6.1.

**"Vested Performance Rights"** has the meaning ascribed thereto in Section 3.1.

**"Vesting Hurdle"** means those events, goals, circumstances, occurrences or tasks that are required to be completed or occur during a Performance Period in order for a Performance Right or Option to vest.

## **PART B – PERFORMANCE RIGHTS**

### **ARTICLE 2 PERFORMANCE RIGHTS GRANTS AND PERFORMANCE PERIODS**

#### **Section 2.1 Grant of Performance Rights**

- (a) Subject to Section 2.1(e), the Board may make grants of Performance Rights to Eligible Participants in such number as may be specified by the Board with effect from such date(s) as the Board may specify. The Performance Right Register shall indicate the number of Performance Rights which have been granted to each Eligible Participant from time to time.
- (b) The Board shall have full and final authority to determine the Eligible Participants who are to be allocated and granted Performance Rights under this Plan and the number of Shares or CDIs subject to each Performance Rights grant.
- (c) Performance Rights granted under this Plan shall be redeemable for Shares or CDIs only, and for no other security.
- (d) Where Applicable Law or the Regulatory Rules requires the Performance Rights to have a term or condition, the Board shall include such term or condition when granting Performance Rights.
- (e) Eligible Participants retained to provide Investor Relations Activities may not be granted Performance Rights under this Plan.

## **Section 2.2 Performance Period and Vesting Hurdles**

- (a) The Board will at the time of the grant of Performance Rights determine the Performance Period applicable to each grant of Performance Rights under Section 2.1.
- (b) The Board may at the time of the grant determine Vesting Hurdles applicable to each grant of Performance Rights, if any.

## **Section 2.3 Redemption Period**

The Board will at the time of the grant, determine the Redemption Period applicable to each grant of Performance Rights under Section 2.1, which Redemption Period shall only commence following the end of the Performance Period and then only in respect of Performance Rights that have vested. The Redemption Period shall not be more than two (2) years after the end of the Performance Period unless otherwise determined by the Board.

## **Section 2.4 Performance Right Register**

A register, to be known as the "**Performance Right Register**", shall be maintained by the Company for all Eligible Participants and shall detail all grants of Performance Rights as are received by an Eligible Participant from time to time.

## **Section 2.5 Cancellation of Performance Rights that Fail to Vest or Are Redeemed**

Performance Rights that:

- (a) fail to vest in an Eligible Participant at the end of the Performance Period in accordance with this Plan; or
- (b) are redeemed in accordance with this Plan; or
- (c) are vested in accordance with this Plan but are not redeemed by the end of the Redemption Period,

shall be automatically cancelled and shall cease to be recorded in the Performance Right Register as of the date on which such Performance Rights fail to vest, are redeemed, or the end of the Redemption Period, as the case may be, and the Eligible Participant will have no further right, title or interest in such Performance Rights or any underlying Shares or CDIs.

# **ARTICLE 3 VESTING OF PERFORMANCE RIGHTS**

## **Section 3.1 Vesting**

- (a) Performance Rights granted to an Eligible Participant under Section 2.1 in respect of a Performance Period shall vest in accordance with this ARTICLE 3 unless the Board determines otherwise. Except where the context requires otherwise, each Performance Right which is vested pursuant to this ARTICLE 3 shall be referred to herein as a "Vested Performance Right". Vested Performance Rights may be redeemed on the basis of one (1) whole Share or a CDI for each Vested Performance Right that is redeemed.
- (b) Unless otherwise specified by the Board, subject to the remaining provisions of this ARTICLE 3, Performance Rights granted to an Eligible Participant in respect of a Performance Period under Section 2.1 shall vest at the end of the Performance Period upon the achievement of the Vesting Hurdles for that



Performance Period, or shall vest on such other date established by the Board to be as soon as practicable following the Performance Period allowing for a final determination of the achievement of the Vesting Hurdles, in accordance with the vesting schedule established by the Board at the time of the grant and as set out in the written acknowledgement referred to in Section 3.4.

### **Section 3.2 Vesting on Death, Retirement, Disability or Termination without Cause**

Subject to Section 3.3 and to the Regulatory Rules, the Board may determine that if an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver, the Performance Rights shall continue to vest in accordance with their original schedule established by the Board at the time of grant or as otherwise determined by the Board and specified in the written acknowledgement referred to in Section 3.4.

### **Section 3.3 Employment or Consulting Contracts**

Performance Rights shall vest and be redeemed only in accordance with the terms and conditions of this Plan and the written acknowledgement between the Company and an Eligible Participant irrespective of any employment or consulting contract between the Company or an Affiliate of the Company and the Eligible Participant.

### **Section 3.4 Acknowledgement**

An Eligible Participant shall complete, as directed by the Company, and deliver a written acknowledgement in the form attached to this Plan as Schedule "A" (or a similar form as determined by the Company), which acknowledgement once delivered by an Eligible Participant and accepted by the Company shall form the basis for the contractual entitlement to the Performance Rights granted to the Eligible Participant. The acknowledgement must be delivered to the Company by the Eligible Participant within 21 days of the date the Eligible Participant receives advice of the grant of the Performance Rights. If the acknowledgement is not delivered within this time, the Board reserves the right to revoke the grant of the Performance Rights to the Eligible Participant.

## **ARTICLE 4 REDEMPTION OF PERFORMANCE RIGHTS**

### **Section 4.1 Eligible Participant Continuing in Employment or Under Contract**

Subject to the remaining provisions of this ARTICLE 4, each Eligible Participant who continues in employment or association, or under contract with, the Company or an Affiliate of the Company, shall have the right to receive, and shall receive with respect to all Performance Rights that are Vested Performance Rights the right to redeem such Vested Performance Rights for a number of Shares or CDIs duly issued by the Company (including the issuance of the Shares underlying such CDIs) as are equal to the number of Vested Performance Rights which redemption must occur before the end of the Redemption Period.

### **Section 4.2 Redemption on Death, Retirement, Disability or Termination without Cause**

Unless otherwise determined by the Board, if an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver, Vested Performance Rights shall continue to be redeemable but only as follows:

- (a) in the case of death, for the period of ninety (90) days following the date of death of the Eligible Participant;
- (b) in the case of Retirement, Disability or Termination without Cause, for the period of six (6) months following the Termination Date; or

- (c) in the case an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver (other than pursuant to Section 4.2(a) or Section 4.2(b)), for the period of three (3) months following the Termination Date,

but in all cases not following the end of the Redemption Period if the end of Redemption Period comes first.

### **Section 4.3 Termination for Cause and Voluntary Termination; Bad Leaver**

Unless otherwise determined by the Board, if:

- (a) the employment of an Eligible Participant is terminated for Cause; or
- (b) the Eligible Participant terminates his or her employment with the Company or an Affiliate of the Company for any reason other than as a Good Leaver, or terminates as a Bad Leaver,

the Eligible Participant shall not be entitled to be issued any Shares or CDIs on account of Performance Rights relating to the Performance Period(s) in which the Eligible Participant's employment terminates, whether vested or unvested, and any such Performance Rights recorded in the Performance Right Register shall be automatically cancelled as at the Termination Date.

## **PART C – OPTIONS**

### **ARTICLE 5 OPTION GRANTS**

#### **Section 5.1 Grant of Options**

- (a) The Board may make grants of Options to Eligible Participants in such number as may be specified by the Board with effect from such date(s) as the Board may determine. The Option Register shall indicate the number of Options which have been granted to each Eligible Participant from time to time.
- (b) The Board shall have full and final authority to determine the Eligible Participants who are to be allocated and granted Options under this Plan and the number of Shares subject to each Option grant.
- (c) Options granted under this Plan shall be for the purchase of Shares or CDIs only, and for no other security.
- (d) Where Applicable Law or the Regulatory Rules requires the Options to have a term or condition, the Board shall include such term or condition when granting Options.

#### **Section 5.2 Option Exercise Price and Expiry Date**

- (a) The Option exercise price per Share that is subject of any Option shall be fixed by the Board when such Option is granted and shall be in compliance with Applicable Law and the Regulatory Rules.
- (b) The Option exercise price per Share will be expressed in Australian or Canadian dollars, as determined by the Board in respect of each grant of Options.

- (c) Each Option shall also have affixed to it the date upon which, if not exercised, the Option will automatically terminate and lapse, and thereafter no longer be exercisable (the "**Option Expiry Date**"), such Option Expiry Date being a maximum of 10 years following the applicable date of grant of such Option.

### **Section 5.3 Option Performance Period and Vesting Hurdles**

- (a) The Board will at the time of the grant of Options determine the Performance Period, if any, applicable to each grant of Options under Section 5.1.
- (b) The Board may at the time of the grant determine Vesting Hurdles applicable to each grant of Options, if any.

### **Section 5.4 Option Exercise Period**

The Board will at the time of the grant, determine the Exercise Period applicable to each grant of Options under Section 5.1, which Exercise Period shall only commence following the end of the Performance Period, if any, and then only in respect of Options that have vested. The Exercise Period shall not be more than two (2) years after the end of the Performance Period unless otherwise determined by the Board.

### **Section 5.5 Option Register**

A register, to be known as the "**Option Register**", shall be maintained by the Company for all Eligible Participants and shall detail all grants of Options as are received by an Eligible Participant from time to time.

### **Section 5.6 Cancellation of Options that Fail to Vest or be Exercised**

Options that:

- (a) fail to vest in an Eligible Participant by the end of the Performance Period in accordance with this Plan; or
- (b) are exercised in accordance with this Plan; or
- (c) are vested in accordance with this Plan but are not exercised for a Share or a CDI by the end of the Exercise Period,

shall be automatically cancelled and shall cease to be recorded in the Option Register as of the date on which such Options fail to vest, are exercised, or the end of the Exercise Period if unexercised at such time, as the case may be, and the Eligible Participant will have no further right, title or interest in such Options or any underlying Share or CDI.

### **Section 5.7 Evidence of Options**

Following the grant of an option in accordance with this Plan, the Company shall forward to such Eligible Participant, a notice of Option grant (each, an "**Option Grant Notice**") in the form attached to this Plan as Schedule "B" (or a similar form as determined by the Company), which Option Grant Notice shall evidence the grant of the Option under this Plan. The Option Grant Notice must be delivered to the Company by the Eligible Participant within 21 days of the date the Eligible Participant receives advice of the grant of Options.

## **ARTICLE 6 OPTION VESTING**

### **Section 6.1 Option Vesting**

- (a) Options granted to an Eligible Participant under Section 5.1 in respect of a Performance Period shall vest in accordance with this ARTICLE 6. Except where the context requires otherwise, each Option which is vested pursuant to this ARTICLE 6 shall be referred to herein as a "Vested Option".
- (b) Unless otherwise specified by the Board or in the Option Grant Notice, and subject to the remaining provisions of this ARTICLE 6, Options granted to an Eligible Participant in respect of a Performance Period under Section 5.1 shall vest at the end of the Performance Period upon the achievement of the Vesting Hurdles for that Performance Period, or shall vest on such other date established by the Board to be as soon as practicable following the Performance Period allowing for a final determination of the achievement of the Vesting Hurdles, in accordance with the vesting schedule established by the Board at the time of the grant and as set out in the Option Grant Notice. For the avoidance of doubt, if specified by the Board in the Option Grant Notice, Options granted to an Eligible Participant may specify that neither a Performance Period or Vesting Hurdles apply to such grant of Options.

### **Section 6.2 Vesting on Death, Retirement, Disability or Termination without Cause**

The Board may determine that if an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver, the Options shall continue to vest in accordance with their original schedule established by the Board at the time of grant and as set out in the Option Grant Notice.

### **Section 6.3 Vesting following Termination for Cause and Voluntary Termination**

Unless otherwise determined by the Board, if:

- (a) the employment of an Eligible Participant is terminated for Cause; or
- (b) the Eligible Participant terminates his or her employment with the Company or an Affiliate of the Company for any reason other than as a Good Leaver,

Options granted to such Eligible Participant which are not Vested Options shall cease vesting and shall be cancelled as at the Termination Date, and any such Options recorded in the Option Register shall be cancelled as at the Termination Date.

### **Section 6.4 Employment or Consulting Contracts**

Options shall vest and become exercisable for a Share or CDI only in accordance with the terms and conditions of this Plan and Option Grant Notice irrespective of any employment or consulting contract between the Company or an Affiliate of the Company and the Eligible Participant.

## **ARTICLE 7 OPTION EXERCISE**

### **Section 7.1 Option Exercise Rights**

- (a) Subject to the provisions of this Section 7.1, Options that are Vested Options will be exercisable in whole or in part, and from time to time, at any time following their vesting through to the end of the Exercise Period.

- (b) An Option may be exercised from time to time by delivering to the Company, a written notice of exercise specifying the number of Shares or CDIs with respect to which the Vested Option is being exercised and accompanied by payment, by wire transfer, certified cheque or bank draft, for the full amount of the purchase price of the Shares then being purchased.
- (c) Upon receipt of a certificate of an authorized officer directing the issue of Shares or CDIs purchased under this Plan on exercise of Options, the transfer agent and registrar of the Company is authorized and directed to issue and countersign share certificates or DRS advice statements for the exercised Shares or CDIs in the name of the Eligible Participant or as may otherwise be directed in writing by the Eligible Participant, including into a book-entry system, if requested.

### **Section 7.2 Exercise following Death, Retirement, Disability or Termination without Cause**

Unless otherwise determined by the Board, in the event of the death of an Eligible Participant during the term of the Eligible Participant's Option, or if an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver, Vested Options theretofore granted to the Eligible Participant shall remain exercisable within, but only within:

- (a) in the case of death, the period of ninety (90) days following the date of death of the Eligible Participant;
- (b) in the case of Retirement, Disability or Termination without Cause, the period of six (6) months following the Termination Date; or
- (c) in the case an Eligible Participant ceases employment or association with the Company or an Affiliate of the Company as a Good Leaver (other than pursuant to Section 7.2(a) or Section 7.2(b)), the period of three (3) months following the Termination Date,

but in all cases not following the end of the Exercise Period if the end of Exercise Period comes first.

### **Section 7.3 Exercise following Termination for Cause and Voluntary Termination; Bad Leaver**

Unless otherwise determined by the Board, if:

- (a) the employment of an Eligible Participant is terminated for Cause;
- (b) the Eligible Participant terminates his or her employment with the Company or an Affiliate of the Company for any reason other than as a Good Leaver, or terminates as a Bad Leaver,

the Options granted to such Eligible Participant shall not be entitled to be exercised for Shares or CDIs or otherwise, and such Options, whether vested or unvested, and any such Options recorded in the Option Register shall be automatically cancelled as at the Termination Date.

### **Section 7.4 Option Tax Matters**

- (a) If the Company or a subsidiary or Affiliate is required under the *Income Tax Act* (Canada) or any other Applicable Law to make source deductions in respect of any Option benefits and to remit to the applicable governmental authority an

amount on account of tax on the value of the taxable benefit associated with the issuance of Shares or CDIs on exercise of options, then the Eligible Participant shall:

- (i) pay to the Company or the subsidiary or Affiliate, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance; or
  - (ii) permit the Company or the subsidiary or Affiliate to sell or cause to be sold by a broker or agent engaged by the Company, on behalf of the Eligible Participant, such number of Shares or CDIs issuable to the Eligible Participant on the exercise of such Options as is sufficient to fund the Company's or the subsidiary or Affiliate's obligations to make source deductions; or
  - (iii) make other arrangements acceptable to the Company to fund the required tax remittance.
- (b) In the event any taxation authority should reassess the Company or a subsidiary or Affiliate for failure to have withheld income tax, or other similar payments from the Eligible Participant, pursuant to the provisions herein, the Eligible Participant shall reimburse and save harmless the Company, the subsidiary or Affiliate for the entire amount assessed, including penalties, interest and other charges.

#### **Section 7.5 Expiry of Option**

Notwithstanding any other term of condition of this Plan, on the Option Expiry Date of any option granted under this Plan, such Option shall forthwith expire and terminate and be of no further force or effect whatsoever, or as to the Shares or CDIs in respect of which the Option has not been exercised and any such Options recorded in the Option Register shall be cancelled as at the Termination Date.

### **PART D – PROVISIONS AFFECTING PERFORMANCE RIGHTS AND OPTIONS**

#### **ARTICLE 8**

#### **NUMBER OF SHARES, LIMITATIONS, ADJUSTMENTS AND CHANGE OF CONTROL**

For purposes of this ARTICLE 8, any reference to the Board does not include a reference to a Committee.

For purposes of this ARTICLE 8, "**Awards**" means awards granted pursuant to securities-based compensation arrangements of the Company, including Performance Rights and Options granted under this Plan and options granted under the Existing Plan.

#### **Section 8.1 Shares Subject to Plan**

- (a) Notwithstanding any other provision of this Plan, the aggregate number of Shares or CDIs that may be issued on the exercise of Options that have been granted and remain outstanding under this Plan, shall not at any time be such as to result in the number of Shares issuable or reserved for issuance to Eligible Participants on the exercise of Options at any time exceeding 10% of the issued and outstanding Shares, unless determined otherwise by the Board at any time and the necessary approvals from shareholders or regulatory authorities have been received, or from time to time; provided that in no event will the number of Shares or CDIs at any time reserved for issuance on the exercise of stock options to

Eligible Participants under all securities-based compensation arrangements of the Company, including this Plan and the Existing Plan, (each, an "**Award Plan**") exceed 10% of the Company's issued and outstanding Shares from time to time; and

- (b) In addition to the number of Shares and CDIs reserved for issuance on the exercise of Options set out in Section 8.1(a), the aggregate maximum number of Shares (including those underlying CDIs) issuable pursuant to the redemption of Performance Rights under this Plan is 9,500,000 Shares.

## **Section 8.2 Limitations**

The following limitations apply to the operation of this Plan:

- (a) In no event will the number of Shares or CDIs at any time reserved for issuance to any Eligible Participant under all Award Plans exceed 5% of the Company's issued Shares from time to time, unless the Company has obtained the requisite disinterested shareholder approval as set out in the TSXV Policies.
- (b) In no event will the number of Shares or CDIs at any time reserved for issuance to Insiders (as a group) under all Award Plans exceed 10% of the Company's issued Shares from time to time, unless the Company has obtained the requisite disinterested shareholder approval as set out in the TSXV Policies.
- (c) The number of Awards granted to Insiders (as a group) in any 12-month period must not exceed 10% of the Company's issued Shares calculated on the applicable grant date of such Award.
- (d) The number of Awards granted to any one Eligible Participant in any 12-month period must not exceed 5% of the Company's issued Shares calculated on the applicable grant date of such Award.
- (e) The aggregate number of Awards granted to any one Consultant (as such term is defined in the TSXV Policies) in any 12-month period must not exceed 2% of the Company's issued Shares calculated on the applicable grant date of such Award.
- (f) The aggregate number of Options granted to all Eligible Participants retained to provide Investor Relations Activities in any 12-month period shall not exceed 2% of the Company's issued Shares calculated on the applicable grant date of such Option.
- (g) Options granted to Eligible Participants retained to provide Investor Relations Activities shall vest in stages over a period of not less than 12 months with no more than one-quarter of such Options vesting in any three-month period.

## **Section 8.3 Adjustments**

- (a) In the event of any stock dividend, stock split, combination, exchange of shares, consolidation, spin-off or other capital reorganization or distribution (other than normal cash dividends) of corporate assets to shareholders, or any other similar changes affecting the Shares, the terms of Options and Performance Rights and the rights of the holders of Options and Performance Rights will be varied in accordance with the Regulatory Rules that apply to the reorganisation at the time of the reorganisation.

- (b) No adjustments will be made to the number of Shares or CDIs redeemable under vested Performance Rights or exercisable under Vested Options (nor to the exercise price of Options) if the Company makes an issue of Shares or other securities *pro rata* to existing shareholders or CDI holders.

#### **Section 8.4 Change of Control**

- (a) In the event of a Change of Control, the Board (composed of directors of the Company immediately prior to the Change of Control) may, in its absolute discretion, determine that all or a specified number of Performance Rights and/or Options that have been granted to Eligible Participants shall vest such that Vested Performance Rights and/or Vested Options may participate in the Change of Control; *provided that* Options held by an Eligible Participant retained to provide Investor Relations Activities may not be accelerated without the prior approval of the TSXV.
- (b) Where the Board makes a determination pursuant to this Section 8.4, the Board will immediately give written notice to each Eligible Participant of the number of Performance Rights and/or Options that vest (or will be granted and then vest) pursuant to this Section 8.4 and those Performance Rights may be redeemed for Shares, and Options exercised for Shares, within such period as the Board shall determine appropriate.

#### **Section 8.5 Adjustments for Reorganization, Amalgamation, Merger, etc.**

- (a) Subject to the Regulatory Rules, if there is a consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities, or a transfer of all or substantially all of the assets of the Company to another entity, at the discretion of the Board, upon the redemption of a Performance Right or the exercise of an Option under this Plan, the holder thereof shall be entitled to receive any securities, property or cash which the Eligible Participant would have received upon such consolidation, reorganization, merger, amalgamation, statutory amalgamation or arrangement, separation or transfer if the Eligible Participant had redeemed his or her Performance Right or exercised his or her option immediately prior to the applicable record date or event, as applicable, and the exercise price (in the case of Options) shall be adjusted as applicable by the Board, unless the Board otherwise determines the basis upon which such Option shall be exercisable, and any such adjustments shall be binding for all purposes of this Plan.
- (b) Notwithstanding any other term of this Plan, the Board has the sole discretion to amend, abridge or eliminate any vesting terms, Vesting Hurdles or to otherwise amend the conditions of exercise so that any such Performance Right or Option may be redeemed or exercised in whole or in part by the Eligible Participant so as to entitle the Eligible Participant to receive any securities, property or cash which the Eligible Participant would have received upon such consolidation, reorganization, merger, amalgamation, statutory amalgamation or arrangement, separation or transfer if the Eligible Participant had redeemed his or her Performance Right or exercised his or her Option immediately prior to the applicable record date or event.
- (c) Notwithstanding any term or condition of this Section 8.5, if there is an inconsistency between this Section and the requirements of the Regulatory Rules for any matter described in this Section, the Regulatory Rules will prevail and the matter will be treated as required under the Regulatory Rules.



**ARTICLE 9**  
**PROVISIONS AFFECTING PERFORMANCE RIGHTS AND OPTIONS**

**Section 9.1 Compliance with Applicable Law and Regulatory Rules**

- (a) The Company shall not, upon the exercise of any Option or the redemption of any Performance Rights, be required to register, issue or deliver any Shares or CDIs prior to the completion of such registration or other qualification of such Shares or CDIs under any law, rules or regulation as the Company shall determine to be necessary or advisable (including, without limitation, the Regulatory Rules and NI 45-106 in Canada). If any Shares or CDIs cannot be registered, issued or delivered to any Eligible Participant for whatever reason, the obligation of the Company to issue such Shares shall terminate and any Option exercise price paid to the Company shall be returned to the Eligible Participant without deduction or interest.
- (b) It is expressly stated that the Company may only grant Performance Rights or Options, and issue Shares or CDIs on redemption or exercise thereof, to Eligible Participants resident in jurisdictions in Canada where NI 45-106 has been complied with. However, nothing herein shall be deemed or construed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.

**Section 9.2 Transferability of Performance Rights and Options**

- (a) No Performance Rights or Options granted under this Plan shall be assignable or transferable unless permitted by the Board or as set out in the Eligible Participant's Acknowledgement, and then only the following transfers would be permitted, subject to compliance with Applicable Law:
  - (i) for an Eligible Participant resident in Canada, to an Eligible Participant's registered retirement savings plan ("**RRSP**") or registered retirement income fund ("**RRIF**"), provided that the Eligible Participant is, during the Eligible Participant's lifetime, the sole beneficiary of the RRSP or RRIF;
  - (ii) to a trustee, custodian or administrator acting on behalf of or for the benefit of the Eligible Participant or the Eligible Participant's spouse; or
  - (iii) a personal holding corporation, partnership, trust (including a self-managed superannuation fund) or other entity controlled by the Eligible Participant.

**PART E – ADMINISTRATION AND GENERAL**

**ARTICLE 10**  
**ADMINISTRATION AND AMENDMENT**

**Section 10.1 Administration by Board**

- (a) This Plan shall be administered by the Board and the Board may take any action in administering this Plan by means of consent resolution or majority vote of the members of the Board.
- (b) The Board is responsible for ensuring and confirming that each Eligible Participant to whom Awards are to be granted is a *bona fide* director, officer, employee or consultant (as the case may be) of the Company or an Affiliate of the Company.

- (c) The Board, by ordinary resolution, may appoint a committee of its members to administer this Plan (a "**Committee**") and any action or decision required to be taken by the Board under this Plan may be taken by such Committee where the Board has delegated authority to such Committee.
- (d) The interpretation, construction and application of this Plan shall be made by the Board and shall be final and binding on all holders of Performance Rights and Options granted under this Plan and all persons eligible to participate under the provisions of this Plan as Eligible Participants.
- (e) No member of the Board, or a Committee, shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan or any Performance Rights or Options granted under it.

## **Section 10.2 Amendments**

- (a) Subject to Section 10.2(b), the Board (which for these purposes does not include reference to a Committee) may at any time, and from time to time, and without shareholder approval, amend any provision or terminate this Plan that is an amendment to fix typographical errors or amendments to clarify the existing provisions of this Plan that do not substantively alter the scope, nature and intent of the provisions.
- (b) Notwithstanding Section 10.2(a) and any approvals required of the ASX or the TSXV to a proposed amendment of this Plan, neither the Board (nor a Committee) shall be permitted to amend:
  - (i) the definition of "Eligible Participant" or the persons eligible to participate in this Plan;
  - (ii) the number of Shares and CDIs issuable pursuant to this Plan set out in Section 8.1;
  - (iii) the limitations applicable to this Plan set out in Section 8.2;
  - (iv) the method for determining the exercise price of Options set out in Section 5.2(a);
  - (v) the maximum term of Options set out in Section 5.2(c);
  - (vi) the expiry and termination provisions in respect of Performance Rights and Options set out in this Plan; and
  - (vii) the exercise price of any Option issued under this Plan to an Insider where such amendment reduces the exercise price of such Option,

in each case without first having obtained the approval of a majority of the shareholders voting at a duly called and held meeting of holders of Shares (excluding votes held by any Insider or person benefiting from the proposed amendment when necessary in accordance with the Regulatory Rules).

## **Section 10.3 Amendments not to Contravene**

No amendment, suspension or discontinuance of this Plan or of any granted Performance Right or Option may contravene the Regulatory Rules. Termination of this Plan shall not affect the

ability of the Board to exercise the powers granted to it hereunder with respect to Performance Rights or Options granted under this Plan prior to the date of such termination.

## **ARTICLE 11 GENERAL**

### **Section 11.1 No Right to Shares or CDIs**

Performance Rights and Options are not Shares or CDIs and the grant of Performance Rights and/or Options will not entitle an Eligible Participant to any shareholder rights, including, without limitation:

- (a) a return of capital upon a reduction of capital or otherwise;
- (b) participation in the distribution of the assets of the Company upon liquidation or dissolution of the Company;
- (c) notice of, or to vote or attend at, a meeting of the shareholders or CDI holders;
- (d) receive any dividends declared by the Company, or
- (e) participate in any new issues of securities.

### **Section 11.2 Reservation of Shares or CDIs**

The Board shall reserve a sufficient number of Shares (including sufficient number of Shares required to issue any CDIs) to satisfy the redemption of Performance Rights and the exercise of Options granted under this Plan (including underlying any CDIs).

### **Section 11.3 Stock Certificates**

The issue of Shares or CDIs under this Plan shall be effected on a non-certificated basis including by DRS advice statements or electronic book-entry, to the extent not prohibited by Applicable Law.

### **Section 11.4 No Fractional Shares**

The Company shall not be required to issue fractional Shares or CDIs (or issue fraction Shares underlying the CDIs) on account of the redemption of Performance Rights or the exercise of Options. If any fractional interest in a Share or CDI would, except for this provision, be deliverable on account of the redemption of Performance Rights or the exercise of Options, that fractional interest will be disregarded.

### **Section 11.5 No Continued Service**

The granting of a Performance Right or an Option to an Eligible Participant under this Plan shall not impose upon the Company, any subsidiary or any Affiliate any obligation whatsoever to retain the Eligible Participant as a director, officer, employees, Consultant or other service provider of such entity, or to maintain any other association.

### **Section 11.6 Governing Law**

This Plan shall be governed and interpreted in accordance with the laws of the Province of British Columbia, Canada.

### **Section 11.7 Severability**

If any provision of this Plan or part hereof is determined to be void or unenforceable all or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

### **Section 11.8 Currency**

All references in this Plan to currency refer to lawful Australian or Canadian currency as the context requires.

### **Section 11.9 Compliance with Laws and Policies**

Each Eligible Participant shall acknowledge and agree (and shall be conclusively deemed to have so acknowledged and agreed by participating in this Plan) that the Eligible Participant will, at all times, act in strict compliance with Applicable Law, the Regulatory Rules, and all other laws and any policies of the Company applicable to the Eligible Participant in connection with this Plan.

### **Section 11.10 Withholdings**

The Company or an Affiliate of the Company, as applicable, may withhold or cause to be withheld from any amount payable to an Eligible Participant, either under this Plan, or otherwise, such amount as may be necessary so as to ensure that the Company or the Affiliate of the Company, as applicable, will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax (and its remittance to any governmental authority) or the withholding of any other required deductions (including any source deductions).

### **Section 11.11 Administration Costs**

The Company will be responsible for all costs relating to the administration of this Plan.

### **Section 11.12 No Obligation to Fund or Secure**

Unless otherwise determined by the Board, this Plan, including any right or entitlement of an Eligible Participant hereunder, shall remain an unfunded and unsecured obligation of the Company and any applicable Affiliates of the Company.

### **Section 11.13 Supremacy**

To the extent there is any inconsistency between this Plan and Regulatory Rules, the Regulatory Rules shall prevail. This Plan is subject to the Regulatory Rules and any approvals required under the Regulatory Rules.

### **Section 11.14 Australian tax deferral**

Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) ("**ITAA**") applies to the Performance Rights granted to an Eligible Participant who is an Australian resident for tax purposes under this Plan (subject to the requirements of the ITAA).

### **Section 11.15 Effective Date**

The Company is establishing this Plan, effective on [●].

**Schedule "A"**  
**Eligible Participant's Acknowledgement**

See attached.

# ALTAN RIO MINERALS LIMITED

## ELIGIBLE PARTICIPANTS ACKNOWLEDGEMENT (Performance Rights)

Date: •

Name: • (the "Eligible Participant")

From: Altan Rio Minerals Limited (the "Company")

Pursuant to the **Equity Incentive Plan** of the Company (the "**Plan**"), the Company hereby grants to the Eligible Participant the following Performance Rights redeemable for Shares or CDIs of the Company. Each Performance Right may be redeemed for one (1) Share or CDI, unless otherwise adjusted in accordance with the Plan.

*Defined terms used but not defined herein shall have the meaning ascribed to them under the Plan.*

<b>Date of Grant:</b>	•
<b>Number of Performance Rights:</b>	•
<b>Performance Period:</b>	•
<b>Vesting Hurdles</b> (if any):	•
<b>Vesting Schedule:</b> <sup>1</sup>	•
<b>Length of Redemption Period:</b> <sup>2</sup>	•

The Eligible Participant may redeem these Performance Rights only once they have become Vested Performance Rights by delivering to the Company a written notice of redemption before the end of the Redemption Period specifying the number of Shares or CDIs with respect to which the Vested Performance Rights are being redeemed.

The Company and the Eligible Participant understand and agree that the granting and redemption of these Performance Rights and the issue of Shares or CDIs are subject to the terms and conditions of the Plan. The terms of the Plan will prevail in the case of any inconsistency.

The acceptance and redemption of the Performance Rights and the issue of Shares or CDIs pursuant to the redemption of the Performance Rights may have consequences under commonwealth, federal, state and provincial tax, and securities laws which may vary depending on the individual circumstances of the Eligible Participant. **The Eligible Participant acknowledges having been advised by the Company to consult a personal, legal and tax advisor in connection with this Performance Right grant and the Eligible Participant's dealings with respect to the Performance Right or the Shares or CDIs issuable on redemption thereof.** The Eligible Participant acknowledges and agrees that it is responsible for any income taxes or other amounts required to be paid to and by any taxing authority as a consequence of its redemption of any Performance Right and that the Company may, under Section 11.10 of the Plan, withhold or cause to be withheld from any amount payable to a Eligible Participant, such amount as may be necessary so as to ensure that the Company will be able to comply with the applicable provisions of any law relating to the withholding of tax or other required deductions. Subdivision 83A-C of the ITAA applies to the Performance Rights granted to an Eligible Participant who is an Australian resident for tax purposes under the Plan (subject to the requirements of the ITAA).

<sup>1</sup> End of Performance Period unless otherwise determined.

<sup>2</sup> For Performance Rights that become vested only.

The Eligible Participant, by accepting these Performance Rights, acknowledges and agrees to be bound by the terms and conditions of the Plan and the grant of Performance Rights hereunder.

**ALTAN RIO MINERALS LIMITED**

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

**Schedule "B"**  
**Option Grant Notice**

See attached.



# ALTAN RIO MINERALS LIMITED

## NOTICE OF OPTION GRANT

Date: •

Name: • (the "**Eligible Participant**")

From: Altan Rio Minerals Limited (the "**Company**")

Pursuant to the **Equity Incentive Plan** of the Company (the "**Plan**"), the Company hereby grants to the Eligible Participant the following Options to acquire Shares or CDIs of the Company. Each Option may be exercised for one (1) Share or CDI, unless otherwise adjusted in accordance with the Plan.

*Defined terms used but not defined herein shall have the meaning ascribed to them under the Plan.*

<b>Date of Grant:</b>	•
<b>Number of Options:</b>	•
<b>Exercise Price</b> (cash):	•
<b>Expiry Date:</b>	•
<b>Vesting Hurdles</b> (if any):	•
<b>Performance Period</b> (if any):	•
<b>Vesting Schedule:</b> <sup>1</sup>	•
<b>Length of Exercise Period:</b> <sup>2</sup>	•

The Eligible Participant may exercise these Options only once they have become Vested Options by delivering to the Company before the end of the Exercise Period, a written notice of exercise, substantially in the form attached hereto as Exhibit I, specifying the number of Shares or CDIs with respect to which the Vested Option is being exercised and accompanied by payment for the full amount of the exercise price of the Shares or CDIs then being purchased, unless cashless exercise by Option termination has been chosen under Section 7.2 of the Plan.

The Company and the Eligible Participant understand and agree that the granting and exercise of this Option and the issue of Shares or CDIs are subject to the terms and conditions of the Plan. The terms of the Plan will prevail in the case of any inconsistency.

The acceptance and exercise of the Options and the sale of Shares or CDIs issued pursuant to exercise of the Options may have consequences under commonwealth, federal, state and provincial tax, and securities laws which may vary depending on the individual circumstances of the Eligible Participant. **The Eligible Participant acknowledges having been advised by the Company to consult a personal, legal and tax advisor in connection with this Option grant and the Eligible Participant's dealings with respect to the Option or the Shares or CDIs issuable on exercise thereof.** The Eligible Participant acknowledges and agrees that it is responsible for any income taxes or other amounts required to be paid to and by any taxing authority as a consequence of its exercise of any Option and that the Company may, under Section 11.10 of the Plan, withhold or cause to be withheld from any amount payable to a Eligible Participant, such amount as may be necessary so as to ensure that the Company will be able to comply with the applicable provisions of any law relating to the withholding of tax or other required deductions.

<sup>1</sup> End of Performance Period unless otherwise determined.

<sup>2</sup> For Options that become Vested Options only.

The Eligible Participant, by accepting these Options, acknowledges and agrees to be bound by the terms and conditions of the Plan and the grant of Options hereunder.

**ALTAN RIO MINERALS LIMITED**

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

EXHIBIT I

EXERCISE NOTICE OF OPTIONS

TO: **ALTAN RIO MINERALS LIMITED (the "Corporation")**

The undersigned Eligible Participant hereby irrevocably elects to exercise Vested Options granted by the Corporation to the undersigned pursuant to an Option Grant dated • under the Corporation's Equity Incentive Plan (the "**Plan**") for the number of (**please select one**):

shares

or

CDIs

of the Corporation (in each case, the "**Securities**") in accordance with the instructions set forth below.

**Please select Option 1 or Option 2.**

**OPTION 1** – I/We hereby elect to exercise Vested Options in accordance with Section 7.1 of the Plan:

Number of Vested Options being exercised: \_\_\_\_\_

Exercise price (per Security): \$ \_\_\_\_\_

Aggregate purchase price: \$ \_\_\_\_\_

and hereby tenders a certified cheque, bank draft or proof of wire transfer for such aggregate purchase price for such Securities and hereby direct the Corporation to register such Securities in the name of \_\_\_\_\_.

**OPTION 2** – I/We hereby elect to make a "cashless exercise by Option termination" in accordance with Section 7.2 of the Plan:

Number of Vested Options being terminated: \_\_\_\_\_

Exercise price (per Security): \$ \_\_\_\_\_

I/We acknowledge that the number of Securities to be issued will be calculated on the basis of the formula set out in Section 7.2 of the Plan and hereby direct the Corporation to register such Securities in the name of: \_\_\_\_\_.

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

\_\_\_\_\_  
Name of Option Holder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and title of signatory (if applicable)

**SCHEDULE D**  
**REPORTING PACKAGE**

See Attached.

**ALTAN RIO MINERALS LIMITED**  
Level 2, 2 Richardson Street  
West Perth, WA, 6005, Australia

**NOTICE OF CHANGE OF AUDITOR**

**TO: BDO (Australia) Limited, Chartered Professional Accountants ("BDO")**

**AND TO: Davidson & Company LLP, Chartered Professional Accountants  
("Davidson")**

**CC: Alberta Securities Commission  
British Columbia Securities Commission**

**RE: Notice Regarding Change of Auditor Pursuant to Section 4.11 of National Instrument  
51-102 – Continuous Disclosure Obligations ("NI-51-102")**

Altan Rio Minerals Ltd. (the "**Company**") hereby gives notice pursuant to section 4.11 of NI 51-102 as follows:

1. At the request of the Company, Davidson of Vancouver, British Columbia, after informing the Company that it would not stand for re-appointment, resigned as the Company's auditor effective August 12, 2021 (the "**Resignation Date**").
2. On the Resignation Date, the Company appointed BDO of Subiaco, Australia, to fill the vacancy created by the resignation of Davidson, and to hold such position until the close of the next annual meeting of shareholders of the Company.
3. The resignation of Davidson as auditor of the Company and the appointment of BDO as auditor of the Company were considered and approved by the Board of Directors of the Company.
4. Davidson has not expressed any modified opinion in its reports for the Company's two most recently completed fiscal years or for any period subsequent to the most recently completed period for which an audit report was issued and preceding the Resignation Date.
5. The Board of Directors of the Company is of the opinion that there were no "reportable events" as defined in NI 51-102.

**DATED** the 13th day of August, 2021.

**ALTAN RIO MINERALS LIMITED**

By:           "Paul Stephen"          

Name: Paul Stephen

Title: Chief Executive Officer

August 18, 2021

**British Columbia Securities Commission**  
PO Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

**Alberta Securities Commission**  
600, 250 – 5<sup>th</sup> Street S.W.  
Calgary, AB  
T2P 0R4

**TSX Venture Exchange**  
P.O. Box 11633  
Suite 2700 – 650 West Georgia Street  
Vancouver, BC  
V6B 4N9

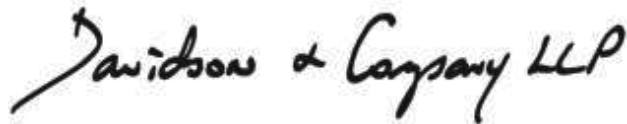
Dear Sirs / Mesdames

**Re: Altan Rio Minerals Limited (the "Company")**  
**Notice Pursuant to NI 51 – 102 of Change of Auditor**

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated August 13, 2021 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,



**DAVIDSON & COMPANY LLP**  
Chartered Professional Accountants

**cc: TSX Venture Exchange**





Tel: +61 8 6382 4600  
Fax: +61 8 6382 4601  
www.bdo.com.au

38 Station Street  
Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

25 August 2021

British Columbia Securities Commission  
Alberta Securities Commission

Dear Sir/Madam

**Re: Notice of Change of Auditor of Altan Rio Minerals Limited (the "Company")**

Please be advised that, in connection with National Instrument 51-102 - Continuous Disclosure obligations, we hereby notify you that we have read the Company's Notice of Change of Auditor dated 13 August 2021 (the "Notice") and are in agreement with the statements contained in such Notice, except we have no basis to agree or disagree with the statement contained in (3) and (5).

Yours faithfully

**BDO Audit (WA) Pty Ltd**

BDO

*"Phillip Murdoch"*

**Phillip Murdoch**

Director

