

AWALÉ RESOURCES LTD.

Mission, BC V4S 1E7

Phone: 604-410-2277/Fax: 604-410-2275

Notice of Annual General and Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of Shareholders (the “**Meeting**”) of **Awalé Resources Ltd.**, (the “**Company**”) will be held in person in **Mission, British Columbia, Canada** on **Monday, September 20, 2021** at **2:30 p.m.** (Vancouver Time), however, because of the ongoing COVID-19 pandemic, Shareholders are strongly urged to complete and send their proxies to Computershare Investor Services and not attend the Meeting in person. Due to health and safety issues, it will be mandatory to limit the number of attendees to 4. Reservations will be required, please call (604) 410-2277 to place your reservation. Shareholders will be asked to vote for the following purposes:

1. To receive and consider the audited financial statements of the Company for the financial year ended December 31, 2020, together with the report of the auditors thereon;
2. To fix the number of Directors of the Company at FOUR;
3. To elect Directors of the Company for the ensuing year;
4. To appoint Ernst & Young, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration;
5. To consider and, if thought fit, to pass an ordinary resolution of the shareholders, approving the Company’s proposed restricted share unit plan, as more particularly described in the accompanying Information Circular;
6. To consider and, if thought fit, to pass an ordinary resolution of the shareholders, approving certain amendments to the Company’s stock option plan (the “**Amended Option Plan**”), as more particularly described in the accompanying Information Circular; and
7. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Management Information Circular (the “**Circular**”) accompanying this notice. The Company’s audited financial statements for the financial year ended December 31, 2020 are available upon request to the Company or they can be found as filed on SEDAR at www.sedar.com. **This notice is accompanied by the Circular, either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders and a supplemental mailing list return card.** Shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and to return it in the envelope provided for that purpose.

The Board of Directors of the Company has, by resolution, fixed the close of business on **Monday, August 16, 2021**, as the **record date**, being the date for the determination of the registered holders of common shares of the Company entitled to notice of and to vote at the Meeting and any adjournment or adjournments thereof.

Proxies to be used at the Meeting must be deposited with the Company, c/o the Company’s transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 no later than **2:30 p.m.** (Vancouver Time) on **September 16, 2021**, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any adjournment thereof is held.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

ADDITIONAL MEASURES IN RESPONSE TO COVID-19 (CORONAVIRUS)

Due to the uncertainty regarding restrictions on in-person gatherings due to COVID 19 at the time of the Meeting the Company The Company reserves the right to take any additional precautionary measures it deems

ADDITIONAL MEASURES IN RESPONSE TO COVID-19 (CORONAVIRUS) cont'd

appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak including, if considered necessary or advisable, providing a virtual webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication, placing restrictions on in-person attendance, or postponing or adjourning the Meeting. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of news release. If applicable and as appropriate, the Company will provide required information on the logistical details of a virtual or hybrid Meeting including how a shareholder can remotely access, participate in and vote at a Meeting. An amended Circular will not be mailed out in the event of changes to the Meeting format.

DATED at Mission, British Columbia this 20th day of August, 2021.

BY ORDER OF THE BOARD

(Signed) "Glen Parsons"
Chief Executive Officer

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

AWALÉ RESOURCES LTD.

Mission, B.C. V4S1E7
Tel: (604) 410-2277 / Fax: (604) 410-2275

MANAGEMENT INFORMATION CIRCULAR *(As at August 20, 2021, except as otherwise indicated)*

Awalé Resources Ltd., (the “Company”) is providing this Management Information Circular (the “Circular”) and a form of proxy in connection with management’s solicitation of proxies for use at the Annual General and Special Meeting of Shareholders (the “Meeting”) of the Company to be held on **Monday, September 20, 2021** and at any adjournments. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

All dollar amounts referenced herein are expressed in US Dollars unless otherwise noted.

SPECIAL MEASURES IN RESPONSE TO COVID-19 (CORONAVIRUS)

In view of the current and evolving COVID-19 pandemic, the Company encourages Shareholders not to attend the Meeting in person. No more than 5 persons will be permitted to attend in person at the in-person location for the Meeting. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages Shareholders to vote prior to the Meeting.

Any person who intends to attend the Meeting in person must register with the Company’s corporate secretary at least 96 hours in advance and receive approval, by calling Kathryn Witter at 604.410-2277 or by email at kathryn.witter@outlook.com. Due to the uncertainty regarding restrictions on in-person gatherings due to COVID 19 at the time of the Meeting the Company may also be providing shareholders who call to request, dial-in details for attendance via teleconference. There will be no voting via teleconference.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on behalf of a shareholder of the company (a “Shareholder”) in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the “Management Proxyholders”).

A Shareholder has the right to appoint a person other than a Management Proxyholder, to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.

VOTING BY PROXY

Only registered Shareholders (“Registered Shareholders”) or duly appointed proxyholders are permitted to vote at the Meeting. Shares (as hereinafter defined) represented by a properly executed proxy will be voted for or against or be withheld from voting on each matter referred to in the notice of meeting (“Notice of Meeting”) in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Investor Services Inc. ("Computershare"), Proxy Department, 100 University Avenue, P.O. Box 4572, Toronto, Ontario, M5J 2Y1**, not later than **forty-eight (48) hours**, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

ON-REGISTERED HOLDERS

Only Registered Shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered Shareholders are holders whose names appear on the share register of the Company and are not held in the name of a brokerage firm, bank or trust company through which they purchased shares. **Whether or not you are able to attend the Meeting, Shareholders are requested to vote their proxy in accordance with the instructions on the proxy.** Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object (called "**NOBOs**" for Non-Objecting Beneficial Owners).

Issuers can request and obtain a list of their NOBOs from Intermediaries via their transfer agents, pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and issuers can use this NOBO list for distribution of proxy-related materials directly to NOBOs. The Company has decided to take advantage of those provisions of NI 54-101 that allow it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**") from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs they receive. Alternatively, NOBOs may vote following the instructions on the VIF, via the internet or by phone.

With respect to OBOs, in accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Meeting, this Circular, the form of proxy or VIF and the supplemental mailing list request card (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a VIF **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions which the Intermediary must follow; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and **deposit it with the Company, c/o Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1.**

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of their shares they beneficially own. In addition, under New York Stock Exchange rules, an Intermediary subject to the New York Stock Exchange rules and who has not received specific voting instructions from the Non-Registered Shareholder may not vote the Shares in its discretion on behalf of such beneficial owner on “non-routine” proposals. “Routine” proposals typically include the ratification of the appointment of the Company’s chartered accountant. The approval of the number of Directors and the election of Directors, on the other hand, are each “non-routine” proposals. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. Shares held by an Intermediary can only be voted by the Intermediary (for, withheld or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, Intermediaries are prohibited from voting Shares. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.**

If a Non-Registered Shareholder does not specify a choice and the Non-Registered Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

NOTICE-AND-ACCESS

The Company is not sending the Meeting Materials to Shareholders using “notice-and-access”, as defined under NI 54-101.

REVOCABILITY OF PROXY

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a Registered Shareholder, their attorney authorized in writing or, if the Registered Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only Registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their Intermediary to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the “Shares”), of which **186,488,082** Shares are issued and outstanding as of **August 20, 2021**. Persons who were Registered Shareholders at the close of business on **August 16, 2021** will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the Directors and Executive Officers of the Company, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Sandstorm Gold Ltd.	19,767,862	10.6%

1. Sandstorm Gold Ltd. is an arms length holder of the securities.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objectives of the Company's compensation program are to attract, hold and inspire performance by members of senior management of a quality and nature that will enhance the growth of the Company.

The Board of Directors of the Company (the "**Board**") has the responsibility for determining compensation for Named Executive Officers ("**Named Executive Officers**" or "**NEOs**") and other senior executives of the Company. To determine future compensation payable, the Board will review compensation paid to NEOs and other senior executives of companies of a similar size and stage of development in the Company's industry sector and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the NEOs while taking into account the financial and other resources of the Company.

During the financial year ended December 31, 2020, the Company paid \$136,585 in non-cash compensation (stock options) and paid or accrued \$390,434 in cash compensation to its NEOs and Directors.

The Company's current compensation policies and programs for executive officers consists of a base salary/compensation, cash bonuses, stock options, restricted share units ("**RSUs**"), and may include other customary employment benefits. As a general rule for establishing compensation for NEOs and executive officers, the Board considers the executive's performance, experience and position within the Company and the recommendations of the Chief Executive Officer, or in the case of the Chief Executive Officer, the recommendation of the Lead Director of the Board. The Board uses its discretion to determine compensation for executive officers at levels warranted by external, internal and individual circumstances. Compensation of executive officers of the Company is reviewed on an annual basis and relies on, among other things, discussion of formal and informal objectives, as well as criteria, analysis and recommendations of external advisors and consultants. Stock options and RSUs are granted pursuant to the Option Plan and RSU Plan, respectively, at the discretion of the Board. Stock options and RSUs granted generally have vesting provisions as determined by the Board.

Stock Option and RSU Plans

The Company's 10% rolling Stock Option Plan ("**Option Plan**") and RSU Plan are designed to advance the interests of the Company by encouraging eligible participants, being Directors, employees, management company employees, officers and consultants, to have equity participation in the Company through the acquisition of Shares.

On June 15, 2021, the Board approved, subject to TSX Venture Exchange approval, certain amendments to the Option Plan. The amendments (the "**Amendments**") to the Option Plan (the Option Plan, as amended, being referred to as the "**Amended Option Plan**") will be submitted to Shareholders at the Meeting for approval. Additionally, the Board approved, subject to TSX Venture Exchange approval, a RSU Plan which will be submitted to Shareholders at the Meeting for approval. For further description of the Amendments to the Option Plan please refer to "**PARTICULARS OF MATTERS TO BE ACTED UPON –Approval of RSU Plan and Approval of Amended Option Plan**" in this Circular for more complete details regarding the RSU and Option Plans.

The Option Plan has been used and will be used to provide incentive share purchase options ("**Options**") and restricted share units ("**RSUs**") granted under the RSU plan will rise and fall in value based on the value of the Shares. Unlike Options, RSUs will not require the payment of any monetary consideration to the Company. Instead, each RSU represents a right to receive on common share following the attainment of vesting criteria determined by the Board. Both Options and RSUs are awarded based on the recommendations of management and/or the Board, taking into account the level of responsibility of the executive as well as his or her past impact on or contribution to, and/or his or her ability in future to have an impact on or to contribute to the longer-term operating performance of the Company. In determining the number of Options and/or RSUs to be granted to the Company's executive officers, the Board takes into account the number of Options and/or RSUs, if any, previously granted to each executive officer, and the exercise price of any outstanding Options or RSUs to ensure that such grants are in accordance with the policies of the TSX Venture Exchange ("**TSXV**") and to closely align the interests of executive officers with the interests of Shareholders. The Board determines the vesting provisions of all Option and RSU grants.

Compensation Risk Assessment and Governance

In light of the Company’s size and limited elements of executive compensation, the Board does not have a Compensation Committee and does not deem it necessary to consider at this time the implications of the risks associated with the Company’s compensation policies and practices. Also, there are no risks which have been identified in the Company’s practices to date which would reasonably be likely to have a material adverse effect on the Company.

As previously mentioned, Options and RSU’s are granted to retain executive officers and motivate the executive officers by rewarding sustained, long-term development and growth that will result in increases in Share value. There is no formal process for assessing when Options are to be granted, rather they are granted at a time determined necessary by the Board, in its discretion, and are priced at market-value at the time of grant.

The Company does not permit its executive officers or Directors to hedge any of the equity compensation granted to them.

Named Executive Officers

For the purposes of the remainder of this Circular, a Named Executive Officer of the Company means each of the following individuals:

- (a) the Chief Executive Officer (“CEO”) of the Company;
- (b) the Chief Financial Officer (“CFO”) of the Company; and
- (c) the Chief Operations Officer (“COO”) of the Company

(collectively the "Named Executive Officers" or "NEOs").

The following individuals have been determined to be the Named Executive Officers or NEOs:

- Glen Parsons – CEO
- Sharon Cooper – CFO
- Andrew Chubb – COO

Director and Named Executive Officer Compensation

Excluding Compensation Securities

The following table sets forth a summary of all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and Director of the Company, for services provided and for services to be provided, directly or indirectly in any capacity, to the Company by such persons, for the fiscal years ended December 31, 2020 and 2019 *excluding compensation securities*:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
<i>Name and Position</i>	<i>Year</i>	<i>Salary, Consulting Fee, Retainer or Commission (\$)</i>	<i>Bonus ⁽¹⁰⁾ (\$)</i>	<i>Committee or Meeting Fees (\$)</i>	<i>Value of Perquisites ⁽¹⁰⁾ (\$)</i>	<i>Value of all Other Compensation (\$)</i>	<i>Total Compensation (\$)</i>
Glen Parsons ⁽¹⁾ CEO/Director	2020	104,808	NIL	NIL	NIL	NIL	140,138
	2019	140,138	NIL	NIL	NIL	NIL	200,000

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
<i>Name and Position</i>	<i>Year</i>	<i>Salary, Consulting Fee, Retainer or Commission (\$)</i>	<i>Bonus (10) (\$)</i>	<i>Committee or Meeting Fees (\$)</i>	<i>Value of Perquisites (10) (\$)</i>	<i>Value of all Other Compensation (\$)</i>	<i>Total Compensation (\$)</i>
Sharon Cooper ⁽²⁾ <i>CFO</i>	2020	45,626	NIL	NIL	NIL	NIL	75,547
	2019	75,547	NIL	NIL	NIL	NIL	93,301
Andrew Chubb ⁽³⁾ <i>COO</i>	2020	180,000	NIL	NIL	NIL	NIL	180,000
	2019	180,000	NIL	NIL	NIL	NIL	180,000
Derk Hartman ⁽⁴⁾ <i>Director</i>	2020	NIL	NIL	20,000	NIL	NIL	20,000
	2019	NIL	NIL	20,000	NIL	NIL	20,000
Eric Roth ⁽⁵⁾ <i>Director</i>	2020	NIL	NIL	20,000	NIL	NIL	20,000
	2019	NIL	NIL	20,000	NIL	NIL	20,000
Ron Ho ⁽⁶⁾ <i>former CEO Current Director</i>	2020	NIL	NIL	20,000	NIL	NIL	20,000
	2019	NIL	NIL	20,000	NIL	NIL	20,000

- (1) Glen Parsons was appointed as a Director and Chief Executive Officer of the Company on December 29, 2017.
- (2) Sharon Cooper was appointed as Chief Financial Officer of the Company on December 29, 2017.
- (3) Andrew Chubb was appointed as Chief Operating Officer of the Company on December 29, 2017
- (4) Derk Hartman was appointed as a director of the Company on December 29, 2017.
- (5) Eric Roth was appointed as a director of the Company on December 29, 2017.
- (6) Ron Ho. was appointed as a Director and as President and Corporate Secretary of the Company on June 23, 2015 and ceased as President and Corporate Secretary of the Company on December 3, 2015, when he was appointed as Chief Executive Officer of the Company. He has received no cash compensation from the Company either prior to or since his appointment and he is not an employee of the Company. Mr. Ho resigned as CEO of the Company on December 29, 2017 but remains a Director of the Company.
- (7) No cash performance bonuses were awarded to any Named Executive Officers or Directors of the Company and none of the Named Executive Officers or Directors of the Company received any perquisites which in the aggregate, during the financial years ended December 31, 2020 or 2019, were greater than (a) \$15,000, if the NEO or Director's total salary for the financial year was \$150,000 or less; (b) 10% of the respective NEO or Director's salary for the financial year, if the NEO or Director's total salary for the financial year was greater than \$150,000 but less than \$500,000, or (c) \$50,000, if the NEO or Director's total salary for the financial year was \$500,000 or greater.

Stock Options and Other Compensation Securities

The Company has a Option Plan for the granting of Options to its officers, employees and Directors. The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating the officers and Directors of the Company and to closely align the personal interests of such persons to that of Shareholders. During the most recently completed fiscal year ended December 31, 2020, the Company granted 2,400,000 Options which fully vest on July 24, 2020 and are exercisable at \$0.18 until expiry July 24, 2023. Subsequent to the fiscal year ended December 31, 2020 on May 19, 2021, the Company granted 3,900,000 additional Options to Directors and NEO's. The aggregate 3,900,000 Options are fully vested on May 19, 2022 and are exercisable at \$0.10 until expiry May 19, 2024.

No compensation securities were exercised by any of the Company's NEOs or Directors during the two most recently completed financial years.

While the Company has adopted an RSU Plan it has not yet granted any RSUs. The Company had no other non-cash arrangements, standard or otherwise, pursuant to which NEOs or Directors were compensated by the Company for their services in their capacity as NEOs or Directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular.

The following table provides information regarding the stock options, other compensation securities, and incentive plan awards for each NEO and Director outstanding as of December 31, 2020. All \$ amounts are in US funds.

Compensation Securities							
Name & Position	Type of Compensation Security	Number of compensation securities, number of underlying securities and percentage of class ¹	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Glen Parson, CEO & Director	Stock Option	750,000 0.40%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
Sharon Cooper, CFO	Stock Option	450,000 0.24%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
	Stock Option	200,000 0.10%	January 16, 2018	\$0.32	\$0.30	\$0.08	January 16, 2021 ⁽²⁾
Andrew Chubb, COO	Stock Option	600,000 0.32%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
	Stock Option	200,000 0.10%	January 16, 2018	\$0.32	\$0.30	\$0.08	January 16, 2021 ⁽²⁾
Derk Hartman, Director	Stock Option	200,000 0.10%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
	Stock Option	200,000 0.10%	January 16, 2018	\$0.32	\$0.30	\$0.08	January 16, 2021 ⁽²⁾
Eric Roth, Director	Stock Option	200,000 0.10%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
	Stock Option	200,000 0.10%	January 16, 2018	\$0.32	\$0.30	\$0.08	January 16, 2021 ⁽²⁾
Ron Ho, Director & former CFO	Stock Option	200,000 0.10%	July 24, 2020	\$0.18	\$0.12	\$0.08	July 24, 2023
	Stock Option	100,000 0.05%	January 16, 2018	\$0.32	\$0.30	\$0.08	January 16, 2021 ⁽²⁾

Notes:

1. Each of the stock options held are now fully vested and have no restrictions on exercise. They have not been changed or modified since the day of grant. Each of the stock options is exercisable to purchase one additional common share for each option held. Percentage of class disclosed as a proportion of current outstanding share capital.
2. All of the stock options granted on January 16, 2018 expired unexercised on January 16, 2021

Exercise of Compensation Securities by Directors and NEO’s

No stock options or compensation securities were exercised by Directors or NEO’s during the current financial year ended December 31, 2020.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (December 31, 2020).

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾</i> <i>(a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights</i> <i>(b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) ⁽²⁾</i> <i>(c)</i>
<i>Equity compensation plans approved by security holders</i>	13,550,000 572,000	\$0.13 \$0.196	4,192,380
<i>Equity compensation plans not approved by security holders</i>	NIL	NIL	NIL
<i>Total</i>	14,122,000	\$0.14	4,192,380

- (1) The Company originally approved the adoption of its 10% rolling Stock Option Plan on December 3, 2015, the Option Plan was last approved by the Company’s shareholders on December 30, 2020. On December 31, 2020 being the last day of its most recently completed financial year, the Company had 124,069,152 issued and outstanding Shares, meaning that the maximum number of Options which could be granted by the Company was 12,406,915, of which the Company had granted 5,050,000 Options and 572,000 performance shares.
- (2) As of the date of this Circular, August 20, 2021, the Company has 186,488,082 Shares issued, meaning that the maximum number of Options which can be granted by the Company is 18,648,808, of which the Company has granted 13,550,000 Options and 572,000 performance shares leaving 4,192,380 available for issue. Please refer to “Approval of Amended Option Plan” below for further details concerning the Company’s Option Plan.

Employment, Consulting and Management Agreements

Other than as disclosed in this Circular, during the most recently completed financial year ended December 31, 2020, the Company had no formal written contracts, agreements, plans or arrangements under which compensation was provided or is payable in respect of services provided to the Company that were: (a) performed by a Director or Named Executive Officer, or (b) performed by any other party, but are services typically provided by a Director or a Named Executive Officer.

The Company is in the process of formalising agreements for its Named Executive Officers; Parsons, Cooper and Chubb; the terms of which will provide for a payment equal to one year’s salary in connection with a termination (other than “for cause”) or a change of control of the Company.

Oversight and Description of Director and Named Executive Officer Compensation

The Company relies on its Board of Directors, through discussion without any formal objectives, targets, criteria or analysis, in determining the compensation of its Named Executive Officers. The Board of Directors is responsible for determining all forms of compensation, including the provision of long-term incentives through the granting of

stock options to the Named Executive Officers, Directors of the Company, and other persons eligible to receive stock options.

The Board of Directors incorporates the following goals when it makes its compensation decisions with respect to the Company's Named Executive Officers: (i) the recruiting and retaining of executives who are critical both to the success of the Company and to the enhancement of shareholder value; (ii) the provision of fair and competitive compensation; (iii) the balancing of the interests of management with the interests of the Company's shareholders; the rewarding of performance, both on an individual basis and with respect to the operations of the Company as a whole; and (v) the preservation of available financial resources.

The Company is an exploration company focused on the acquisition and exploration of mineral properties. The Company has no revenues from operations and often operates with limited financial resources. As a result, to ensure that funds are available to complete scheduled programs, the Board of Directors considers not only the financial situation of the Company at the time of the determination of executive compensation, but also the estimated financial condition of the Company in the future.

Since the preservation of cash is an important goal of the Company, an important element of the compensation awarded to the Named Executive Officers and Directors is the granting of stock options, which do not require cash disbursement by the Company. The other element of the compensation the Company awards to its Named Executive Officers is cash compensation in the form of salary or consulting fees. The determination of the amount of cash compensation for each Named Executive Officer is based on the position held, the related responsibilities and functions performed by the Named Executive Officer, and salary ranges for similar positions in comparable companies. The compensation of the Named Executive Officers does not depend on the fulfillment of any specific performance goals or similar criteria. The Company does not provide its Named Executive Officers or Directors with perquisites or personal benefits.

There were no significant changes to the Company's compensation policies during or after the most recently completed financing year that could or would have affected the Named Executive Officers compensation.

The Board of Directors determines whether the Company should compensate its Directors. The compensation of Directors is recommended by management of the Company to the Board of Directors and then provided to the full Board for approval. During the Company's fiscal year ended December 31, 2020 the Company paid or accrued \$20,000 per annum to each of its non-executive directors in their capacity as directors. Directors or their companies may receive consulting fees for other services not related to their services or roles as directors of the Company.

The granting of options to the Named Executive Officers and Directors under the Company's Stock Option Plan helps to align the interests of the Named Executive Officers and Directors with the interests of the Company and provides an appropriate long-term incentive to management to create shareholder value.

The number of options the Company grants to each Named Executive Officer reasonably reflects the Named Executive Officer's specific contribution to the Company in the execution of such person's responsibilities. The number of options the Company grants to each of these Directors reasonably reflects each Director's contributions to the Company in his capacity as a director and as a member of one or more committees of the Board (if applicable), including without limitation the Audit Committee. Previous grants of options to Named Executive Officers and Directors are taken into consideration by the Board of Directors in developing its recommendations with respect to the granting of new options.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Company has no defined benefit or actuarial plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at December 31, 2020 and the date of this Circular, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) is indebted to another entity which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than the election of Directors or the appointment of Auditors, no (a) person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, (b) proposed nominee of management of the Company for election as a Director of the Company; or (c) associate or affiliate of a person in (a) or (b), 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, except that the Directors and executive officers of the Company may have an interest in the resolution regarding the approval of the Company's Stock Option Plan, as such persons are eligible to participate in such plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except for the participation of certain Directors and officers in the Company's equity offerings, no informed person (as defined in National Instrument 51-102, *Continuous Disclosure*) or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Except as set out herein, no management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

AUDIT COMMITTEE

The Audit Committee's Charter

The following is the text of the *Audit Committee* Charter of the Company:

Mandate

The primary function of the Audit Committee is to assist the Company's Board of Directors (the "**Board of Directors**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Audit Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual shareholder's meeting. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the current members of the *Audit Committee*:

Ron Ho (Chair)	Non-Independent ⁽¹⁾	Financially literate(1)
Derk Hartman	Independent ⁽¹⁾	Financially literate(1)
Eric Roth	Independent ⁽¹⁾	Financially literate(1)

(1) As defined by National Instrument 52-110 – Audit Committees ("**NI 52-110**").

Relevant Education and Experience

Set out below is a general description of the education and experience of each *Audit Committee* member which is relevant to the performance of his or her responsibilities as an *Audit Committee* member:

Ron Ho – Mr. Ho is a Chartered Professional Accountant and a Chartered Financial Analyst charter holder. He has been the Vice-President, Finance for Sandstorm Gold Ltd. since July 2009, primarily focusing on corporate development and transaction structuring and he is also a Director of Mariana Resources Limited. Mr. Ho began his career at Deloitte LLP focusing on public company financing reporting in both the United States and Canada. His work has required extensive review and analysis of financial statements. Mr. Ho holds a Bachelor of Commerce degree from the University of British Columbia and he is a member of the Institute of Chartered Accountants of British Columbia.

Derk Hartman – Mr. Hartman has over 19 years of experience in the banking and mining sectors and has been a founder, officer and director of several public and private companies. He is currently the President and Chief Operating Officer of Giyani Metals Corp. listed on the TSXV; served as the Chief Financial Officer of TSX listed Silver Bear Resources Plc. He is a former Director of Investment Banking at BMO Capital Markets. Mr. Hartman holds a MSc Mining Engineering from Delft University of Technology (The Netherlands) and the FT Non-Executive Director Diploma (UK).

Eric Roth – Mr. Roth has a PhD in Economic Geology from the University of Western Australia. Mr. Roth is currently the CEO and Director of Capella Minerals Limited and was previously COO of Mariana Resources Ltd., prior to it being purchased by Sandstorm Gold Ltd. He has been a successful senior executive and/or director of several public and private companies. Mr. Roth is also a principal of the consulting firm, ER Global Consulting SA.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the *Audit Committee* to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions listed in Section 5 of Form 52-110F2, *Disclosure by Venture Issuers*.

Pre-Approval Policies and Procedures

The *Audit Committee* has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "The Audit Committee's Charter".

External Auditors Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in the last two fiscal years for audit fees are as follows:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
2020	\$50,190	NIL	NIL	NIL

2019	\$ 45,326	NIL	NIL	NIL
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Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

National Policy 58-201 - *Corporate Governance Guidelines* (the “**Governance Guidelines**”) establishes corporate governance guidelines which apply to all public companies. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance practices. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (the “**Governance Disclosure Rule**”) mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Board has considered the relationships of each of the Directors to the Company and determined that two of the four members of the current Board, all of whom are nominees, qualify as independent Directors. The Board reviews independence in light of the requirements of the Governance Guidelines and the Governance Disclosure Rule. None of the independent Directors has a material relationship with the Company which could impact their ability to make independent decisions.

Derk Hartman and Eric Roth are independent. Ron Ho is not independent as he was the former Chief Executive Officer of the Company until December 29, 2017. Glen Parsons is not independent as he is the Chief Executive Officer of the Company.

The Board may excuse members of management and conflicted Directors from all or a portion of any meeting where a conflict or potential conflict of interest arises or where otherwise deemed appropriate.

Management Supervision by Board

The current operations of the Company do not support a large Board and the Board has determined that the current constitution of the Board is appropriate for the Company’s current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors, being present. Further supervision is performed through the *Audit Committee*, which is composed of three of the four current Directors of the Company.

Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under "**Election of Directors**" in this Circular.

Orientation and Continuing Education

The Company does not have formal orientation and training programs in place for its new Directors and, instead, has adopted a tailored approach depending on the particular needs and focus of the Director being appointed. New Board members are provided with:

1. information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
2. documents from recent Board meetings;
3. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
4. access to management and technical experts and consultants; and
5. a summary of significant corporate and securities responsibilities.

In addition, Directors and management are provided with, review and discuss, developments in corporate governance, accounting practices, financing and the resource industry generally.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars. Board members have full access to the Company's records.

Directors are expected to attend all scheduled Board and committee meetings in person, although attendance by telephone is permissible. Directors are also expected to prepare thoroughly in advance of each meeting, and to stay for the entire meeting, in order to actively participate in the Board's deliberations and decisions. If there are unforeseen circumstances and a Director is unable to attend a meeting, he is expected to contact the Chief Executive Officer or the Corporate Secretary of the Company as soon as possible after the meeting for a briefing on the substantive elements of the meeting.

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to Shareholders. The Board has adopted a *Code of Business Conduct and Ethics* ("**Code**") and has instructed its management and employees to abide by the Code. The Board intends that it will review compliance with the Code on an annual basis until the Company has grown to a size which warrants more frequent monitoring. A copy of the Code has been posted on SEDAR at www.sedar.com.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to Directors, officers and employees to assist them in recognizing and dealing with ethical issues, promoting a culture of open communication, honesty and accountability; promoting a safe work environment; and ensuring awareness of disciplinary action for violations of ethical business conduct. The Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes the Company's high caliber management team promotes a culture of ethical business conduct throughout the Company's operations and is expected to monitor the activities of the Company's employees, consultants and agents in that regard.

It is a requirement of applicable corporate law that Directors and senior officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of Directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are also contained in the Company's Articles, which are made available to Directors and senior officers of the Company.

To date, the Company has not been required to file a material change report relating to a departure from the Code by any of its Directors or executive officers.

Nomination of Directors

The Company does not have a stand-alone nomination committee. The full Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the Company's industry sector are consulted for possible candidates.

Compensation of Directors and the CEO

As previously discussed in this Circular, the independent Directors of the Company are currently Derk Hartman and Eric Roth. The full Board has the responsibility for considering, approving and recommending compensation for the Directors and senior management, including the CEO.

Kindly refer to the discussions contained within the "STATEMENT OF EXECUTIVE COMPENSATION" section of this Circular for information regarding compensation of the Company's Named Executive Officers. Please also refer to the table and related notes located within the "STATEMENT OF EXECUTIVE COMPENSATION" section of this Circular for specific details.

Board Committees

The Company has one committee at present, being the *Audit Committee*.

The *Audit Committee* is comprised of three of the Company's four Directors: Ron Ho (Chair), Derk Hartman and Eric Roth. As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of Directors, the Board has determined that additional standing committees are not necessary at this stage of the Company's development.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and its *Audit Committee*. To assist in its review, the Board conducts informal surveys of its Directors (three of whom are also members of its *Audit Committee*). As part of these assessments, the Board or the *Audit Committee* may review their respective mandate/charters and conduct reviews of applicable corporate policies.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances Shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. The Board currently consists of four Directors and Shareholder approval will be sought to fix the number of Directors of the Company at **four**.

At the Meeting, the four persons named hereunder will be proposed for election as Directors of the Company (the "**Nominees**"). All of the Nominees currently serve on the Board and each has expressed his/her willingness to serve on the Board for another term.

The Board and management consider the election of each of the Nominees to be appropriate and in the best interests of the Company. **Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying proxy will vote the Shares represented by such form of proxy, properly executed, FOR the election of each of the Nominees whose names are set forth below.** Management does not contemplate that any of

the Nominees will be unable to serve as a Director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve.

The Company has an *Audit Committee*. Members of this committee are as set out below.

The following table sets forth the details with respect to each Nominee and is based upon information furnished by the Nominee concerned:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, occupation during the past five years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽⁴⁾</i>
DERK HARTMAN ⁽¹⁾ London, United Kingdom <i>Director</i>	President and Chief Operating Officer of Giyani Metals Corp., and former CFO of Silver Bear Resources PLC	Director since December 29, 2017	2,879,508 ⁽³⁾
RON HO ⁽¹⁾ British Columbia, Canada <i>Director</i>	Vice-President, Finance of Sandstorm (a publicly listed streaming/royalty company).	Director since June 23, 2015	3,447,561
GLEN PARSONS Sydney, Australia <i>CEO and Director</i>	Chief Executive Officer of the Company since December, 2017. Director of Capella Minerals Limited; Former CEO of Mariana Resources Limited until July 3, 2017	Director since December 29, 2017	17,402,903 ⁽²⁾
ERIC ROTH ⁽¹⁾ Santiago, Chile <i>Director</i>	CEO and Director of Capella Minerals Limited, and Former Director of Mariana Resources Limited until July 3, 2017.	Director since December 29, 2017	1,914,703

(1) Member of the *Audit Committee*.

(2) Mr. Parsons holds 14,623,081 shares directly and 2,279,822 shares are held indirectly.

(3) Mr. Hartman holds 1,359,508 shares directly and 1,520,000 shares indirectly in Awale Holdings Ltd., a company of which he is a 40% owner.

(4) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at August 16, 2021, is based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

The Company does not have an Executive Committee.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

(a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a Director, CEO or CFO of any company (including the Company) that:

(i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access

to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a Director or Executive Officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any 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 following Directors of the Company hold directorships in other reporting issuers as set out below:

<i>Name of Director</i>	<i>Name of Other Reporting Issuer</i>
Ron Ho	Mariana Resources Limited
Glen Parsons	Capella Minerals Limited. Mariana Resources Limited AfriTin Mining Limited
Eric Roth	Capella Minerals Limited. Mariana Resources Limited

Appointment of Auditors

Ernst & Young, Chartered Professional Accountants, of EY Centre, Level 34, 200 George Street Sydney AUSTRALIA, are the auditors of the Company. **Accordingly, unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, FOR the appointment of Ernst & Young as the auditors of the Company to hold office for the ensuing year at a remuneration to be fixed by the Directors.** Ernst & Young were first appointed as the Company’s auditors on December 29, 2017 replacing former auditors Manning Elliott LLP.

Approval of the Restricted Share Unit Plan

At the Meeting, shareholders of the Company will be asked to consider and, if thought appropriate, pass an ordinary resolution in the form set out below, approving the Company’s proposed new restricted share unit plan (the “**RSU Plan**”). Restricted share units (“**RSUs**”) granted under the RSU Plan will rise and fall in value based on the value of the Shares. Unlike Options, RSUs will not require the payment of any monetary consideration to the Company. Instead, each RSU represents a right to receive one Share following the attainment of vesting criteria determined at the time of the award.

The RSU Plan is a fixed plan pursuant to which the number of Shares that may be issued pursuant to RSUs granted under the RSU Plan is fixed at 3,662,875; provided, however, that the total number of Shares which may be issued

pursuant to RSUs and Options granted under the Amended Option Plan is a maximum of 10% of the issued and outstanding Shares at the time of grant.

The Company is seeking to reserve up to a maximum of **3,662,875** Shares for issuance upon the redemption of RSUs granted under the RSU Plan, representing approximately **1.96%** of the Company's issued and outstanding Shares; and when combined with the maximum number of Shares which may be reserved for issuance under all other security based compensation arrangements of the Company shall not exceed 10% of the total number of Shares issued and outstanding from time to time.

The following information is intended to be a brief description of the material terms of the RSU Plan and is qualified in its entirety by the full text of the RSU Plan, a copy of which is attached as Schedule "A" to this Information Circular.

- a) **Eligible Persons:** The Board of Directors or a committee delegated by the Board of Directors under the RSU Plan (the "**Committee**") may grant RSUs to directors, officers, employees or consultants (excluding an investor relations consultant) of the Company or a subsidiary of the Company (the "**Participants**") provided that the Board, together with such individuals or companies, are responsible for ensuring and confirming that such person is a bona fide Participant.
- b) **Fixed Plan:** The RSU Plan is a fixed plan, such that the aggregate number of Shares that may be issued pursuant to the Plan shall not exceed 3,662,875 Shares, subject to the number of Shares reserved for issuance under the Option Plan and the RSU Plan being no greater than 10% of the Company's issued and outstanding Shares at any time.
- c) **Vesting:** Each RSU will vest in such manner as determined by the Board of Directors or the Committee at the time of grant.
- d) **Settlement of RSUs:** On the vesting date, the Company at its sole and absolute discretion have the option of settling the RSUs in cash (if applicable), or Shares to be issued from the treasury of the Company.
- e) **Limitations:** The RSU Plan includes the following additional limitations: (i) the number of Shares reserved for issuance to Participants retained to provide Investor Relations Activities (as defined under the policies of the Exchange) under all security based compensation arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Shares; (ii) the number of Shares reserved for issuance to any one Participant retained as a consultant to provide services to the Company or its subsidiaries under all security based compensation arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Shares; (iii) the number of Shares reserved for issuance to any one Participant under all security based compensation arrangements in any 12 month period will not exceed 5% of the issued and outstanding Shares; (iv) unless the Company has received disinterested shareholder approval to do so, the number of Shares issuable to insiders, at any time, under all security based compensation arrangements, shall not exceed 10% of the issued and outstanding Shares; and (v) unless the Company has received disinterested shareholder approval to do so the number of Shares issued to insiders, within any one year period, under all security based compensation arrangements, shall not exceed 10% of the issued and outstanding Shares.
- f) **Ceasing to be a director, officer, employee or consultant:** The RSU Plan provides that: if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, the Company or a subsidiary for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board of Directors in its sole discretion, before all of the awards respecting RSUs credited to the Participant's account have vested or are forfeited pursuant to any other provision hereof, (i) such Participant shall cease to be a Participant as of the forfeiture date, (ii) the former Participant shall forfeit all unvested awards respecting RSUs credited to the Participant's account effective as at the forfeiture date, (iii) any award value corresponding to any vested RSUs remaining unpaid as of the forfeiture date shall be paid to the former Participant and (iv) the former Participant shall not be entitled to any further payment from the RSU Plan.
- g) **Change of control:** In the event of a Change of Control (as defined in the RSU Plan), the Board or the Committee shall have absolute discretion to determine if all issued and outstanding RSUs shall vest (whether or not then vested) upon the Change of Control and the vesting date shall be the date

which is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board of Directors or the Committee, in its absolute discretion, prior to the time such Change of Control takes place.

- h) Transferability: Except as required by law, the rights of a Participant under the RSU Plan are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.
- i) Amendments: The Board of Directors may amend the RSU Plan in any way, or discontinue the RSU Plan altogether, and may amend, in any way, any RSU granted under the RSU Plan at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any RSU previously granted under the RSU Plan or any related RSU agreement, except as otherwise permitted under the RSU Plan. In addition, the Board of Directors may, by resolution, make any amendment to the RSU Plan or any RSU granted under it (together with any related RSU agreement) without shareholder approval, provided however, that the Board will not be entitled to amend the RSU Plan or any RSU granted under it without shareholder (disinterested shareholder approval if applicable) and, if applicable, Exchange approval, in order to: (i) increase the maximum number of Shares issuable pursuant to the RSU Plan; (ii) cancel an RSU and subsequently issue to the holder of such RSU a new RSU in replacement thereof; (iii) extend the term of an RSU, but not beyond the Expiry Date; (iv) permit the assignment or transfer of an RSU other than as provided for in the RSU Plan; (v) add to the categories of persons eligible to participate in this Plan; or (viii) in any other circumstances where Exchange and shareholder approval is required by the Exchange. Any renewal of the RSU Plan will be subject to disinterested shareholder approval, and Exchange approval as applicable.
- j) The RSU Plan, if not renewed with Exchange and disinterested Shareholder approval shall expire in its entirety on September 20, 2031.

The Exchange policies require that the RSU Plan be approved by the affirmative vote of not less than 50% of the votes cast by the disinterested Shareholders (“**Disinterested Shareholders**”) represented at the Meeting in person or by proxy (the “**RSU Plan Resolution**”). To the knowledge of the Company, a total of **29,428,021** Shares (being approximately **15.8%** of the issued and outstanding Shares) are held by Shareholders who are considered insiders and to whom RSUs may be granted, and the associates thereof, and will be excluded from voting on the RSU Plan Resolution.

Accordingly, the Company requests that the Disinterested Shareholders pass the following resolution:

“RESOLVED, as an ordinary resolution of the disinterested shareholders of the Company, that:

1. the proposed restricted share unit plan (the “**RSU Plan**”) of Awalé Resources Ltd. (the “**Company**”), in substantially the form attached to the information circular for the 2021 annual general meeting of the Company, with or without amendments that may be required to conform to the policies of the TSX Venture Exchange or comply with rules and regulations of any other regulatory body having authority over the Company or the RSU Plan, is hereby approved;
2. the Company is authorized to grant restricted share units (“**RSUs**”) pursuant and subject to the terms and conditions of the RSU Plan entitling all of the holders of RSUs in aggregate to acquire up to **3,662,875** common shares of the Company, subject to the number of common shares of the Company reserved for issuance pursuant to RSUs and stock options being equal to or less than 10% of the number of common shares of the Company issued and outstanding on the applicable grant date; and
3. any one of the directors or officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution.”

Management of the Company recommends that the shareholders vote in favour of the RSU Plan Resolution. **It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the RSU Plan Resolution.**

Approval of Amended Option Plan

Background Information

The Board implemented the Stock Option Plan on December 3, 2015. The number of Shares which may be issued pursuant to Options previously granted and those granted under the Stock Option Plan is a maximum of 10% of the issued and outstanding Shares at the time of the grant.

The purpose of the Option Plan is to allow the Company to grant Options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such Options is intended to align the interests of such persons with that of Shareholders. Options will be exercisable over periods of up to ten years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the Option is granted less the applicable discount, if any, permitted under the TSXV policy applicable to incentive stock options. Pursuant to the Stock Option Plan, the Board may from time to time authorize the issue of Options to Directors, officers employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries.

In addition to other terms and conditions contained within the Stock Option Plan, the number of Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Shares on a yearly basis, or 2% to any one Consultant in a 12 month period and the aggregate number of options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued shares of the Company in any 12 month period.

The Option Plan contains no vesting requirements, but permits the Board to specify a vesting schedule in its discretion. The Option Plan provides that if a change of control, as defined therein, occurs, all Shares subject to Option shall immediately become vested and may thereupon be exercised in whole or in part by the Option holder.

Additionally, if an Optionee ceases to act in their role for the Company the Options shall expire subject to the term determined by the Board but in any event expiry shall not exceed 12 months; similarly the Optionee's heirs or administrators can exercise any portion of outstanding Options up to 12 months from the Optionee's death.

The Company currently has **186,488,082** issued and outstanding Shares, meaning that the number of Options currently available for grant under the Stock Option Plan would be 10% of that number (on a rolling basis) or **18,488,082** Shares. As of the date of this Circular, the Company had **13,550,000** Options outstanding and **572,000** performance shares allotted (representing approximately **7.6%** of the Company's current issued and outstanding , on a non-diluted basis). See "*Securities Authorized for Issuance Under Equity Compensation Plans*" above.

On June 15, 2021, the Board approved, subject to TSX Venture Exchange approval, certain amendments to the Option Plan. The principal amendments to the Option Plan are summarized below. The amendments (the "**Amendments**") to the Option Plan (the Option Plan, as amended, being referred to as the "**Amended Option Plan**") will be submitted to Shareholders at the Meeting for approval and a copy of the Amended Option Plan showing the changes from the Option Plan will also be made available at the Meeting for review. A copy of the Amended Option Plan is attached as Schedule "B", to this Information Circular. The Amendments to the Option Plan included:

- (a) updating certain defined terms, such as the defined terms for "affiliate", and "Fair Market Value" to reflect the definitions used by the TSXV policies and National Instrument 45-106; and
- (b) general updating of certain defined terms for "Black-Out Period", "Board", "Change of Control", "Company", "Investor Relations Activities", "Plan", "TSXV Policies" and "U.S. Participant", deleting the defined term of "Joint Actor", and adding "Associate", "Incumbent Directors", "NI 62-104" and "Takeover bid" as new defined terms, which are all considered to be amendments of a housekeeping nature.

In addition, certain other amendments of a housekeeping nature were made. The existing options which are outstanding under the Option Plan will be incorporated into the Amended Option Plan and will be governed by the Amended Option Plan.

Copies of the Option Plan, and Amended Option Plan are available for viewing up to the date of the Meeting at the Company's offices at 8681 Clay Street, Mission, British Columbia, V4S1E7 during normal business hours and at the Meeting. In addition, a copy of the Option Plan, and Amended Option Plan, will be mailed, free of charge, to any holder of common shares who requests a copy, in writing, from the Secretary of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Secretary.

Accordingly, at the Meeting, the Shareholders will be asked to consider and, if deemed fit, pass the following ordinary resolution, in substantially the following form, approving the Amendments and the Amended Option Plan. To be effective, the foregoing resolution must be approved by not less than 50% of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

“**RESOLVED**, as an ordinary resolution of the shareholders of the Company that:

1. the option plan of Awalé Resources Limited, as amended by the board of directors and substantially in the form presented to the shareholders (the “**Amended Option Plan**”), be and is hereby approved;
2. the board of directors be authorized on behalf of the Company to make any further amendments to the Amended Option Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the Amended Option Plan;
3. the board of directors be authorized on behalf of the Company to make such amendments to the Amended Option Plan from time to time as the board of directors of the Company may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Amended Option Plan, and the shareholders of the Company; and
4. the approval of the Amended Option Plan by the board of directors of the Company is hereby ratified and confirmed and any one director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing.”

The directors of the Company believe the passing of the foregoing resolution is in the best interests of the Company and recommend that Shareholders vote FOR the resolution. **Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted FOR the resolution approving the proposed Amendments to the Company's Option Plan.**

ADDITIONAL INFORMATION

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

Financial information is provided in the Company's audited financial statements for its most recently completed financial year ended December 31, 2020, which can be found as filed under the Company's profile on SEDAR at www.sedar.com. Shareholders may contact the Company at 604-410-2277 to request a copy of these financial statements.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named

in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

DIRECTOR'S APPROVAL

The contents of this Circular and the sending thereof to Shareholders have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "Glen Parsons"
Chief Executive Officer

August 20, 2020
Sydney, Australia

SCHEDULE "A"
RESTRICTED SHARE UNIT PLAN ("RSU PLAN")

AWALÉ RESOURCES LTD.

RESTRICTED SHARE UNIT PLAN

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

For purposes of this Plan:

- (a) “**Account**” means an account maintained by the Company for each Participant and which will be credited with RSUs in accordance with the terms of this Plan;
- (b) “**Award Date**” means the date or dates on which an award of RSUs is made to a Participant in accordance with Section 4.1;
- (c) “**Award Value**” means, with respect to any RSUs, an amount equal to the number of RSUs, as such number may be adjusted in accordance with the terms of this Plan, multiplied by the Fair Market Value of the Shares;
- (d) “**Black-Out Period**” means the period of time when, pursuant to any policies of the Company, any securities of the Company may not be traded by certain persons as designated by the Company, including any Participant that holds an RSU;
- (e) “**Board**” means the board of directors of the Company as constituted from time to time;
- (f) “**Change of Control**” means:
 - (i) a successful takeover bid; or
 - (ii) (A) any change in the beneficial ownership or control of the outstanding securities or other interests of the Company which results in:
 - (1) a person or group of persons “acting jointly or in concert” (within the meaning of NI 62-104); or
 - (2) an affiliate or associate of such person or group of persons;

holding, owning or controlling, directly or indirectly, more than 50% of the outstanding voting securities or interests of the Company; and
 - (B) members of the Board who are members of the Board immediately prior to the earlier of such change and the first public announcement of such change cease to constitute a majority of the Board at any time within sixty days of such change;
or
- (iii) Incumbent Directors no longer constituting a majority of the Board; or
- (iv) the winding up of the Company or the sale, lease or transfer of all or substantially all of the assets to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Company is continued and where the shareholdings or other security holdings, as the case may be, in the continuing entity and

the constitution of the board of directors or similar body of the continuing entity is such that the transaction would not be considered a “Change of Control” if paragraph 1.1(f)(ii) above was applicable to the transaction); or

- (v) any determination by a majority of the Board that a Change of Control has occurred or is about to occur and any such determination shall be binding and conclusive for all purposes of this Plan;
- (g) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended;
- (h) “**Committee**” has the meaning ascribed thereto in Section 2.4;
- (i) “**Company**” means Awalé Resources Ltd., and includes any successor corporation thereof;
- (j) “**Dividend Equivalent**” has the meaning ascribed thereto in Section 4.2;
- (k) “**Dividend Market Value**” means the Fair Market Value per Share on the dividend record date;
- (l) “**Exchange**” means the TSXV or, if the Shares are not then listed and posted for trading on the TSXV, such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Board;
- (m) “**Expiry Date**” means, with respect to a RSU, the expiry date as may be determined by the Board, in its sole discretion, and set out in the applicable RSU Agreement providing however, that the Expiry Date shall not exceed 10 years under any circumstance;
- (n) “**Fair Market Value**” with respect to a Share, as at any date, means the volume weighted average of the prices at which the Shares traded on the TSXV (or, if the Shares are not then listed and posted for trading on the TSXV or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Shares occurs) for the three (3) trading days on which the Shares traded on the said exchange immediately preceding such date. In the event that the Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;
- (o) “**Forfeiture Date**” means the date that is the earlier of: (i) the effective date of the Participant’s termination or resignation, as the case may be; and (ii) the date that the Participant ceases to be in the active performance of the usual and customary day-to-day duties of the Participant’s position or job, regardless of whether adequate or proper advance notice of termination or resignation shall have been provided in respect of such cessation of being a Participant;
- (p) “**Incumbent Directors**” means any member of the Board who was a member of the Board at the effective date of this Plan and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the Board, including a majority of the Incumbent Directors then on the Board, prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control;
- (q) “**Insider**”, “**associate**” and “**affiliate**” each have the meaning ascribed thereto in the TSX Venture Exchange Corporate Finance Manual, as amended from time to time;
- (r) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
 - (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities laws;
 - (B) the by-laws, rules or other regulatory instruments of the Exchange or any other self-regulatory body or exchange having jurisdiction over the Company;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Exchange.
- (s) “**NI 62-104**” means National Instrument 62-104 — *Take-Over Bids and Issuer Bids*, as amended from time to time;
 - (t) “**Outside Payment Date**”, in respect of a RSU, means December 31 of the calendar year in which the Expiry Date occurs;
 - (u) “**Participant**” means any director, officer, employee or consultant (excluding an investor relations consultant) of, or a person or company engaged by, one or more of the entities comprising the Awalé Group to provide services for an initial, renewable or extended period, determined to be eligible to participate in this Plan in accordance with Section 3.1 and, where applicable, a former Participant deemed eligible to continue to participate in this Plan in accordance with Section 4.5;
 - (v) “**Plan**” means this Restricted Share Unit Plan;
 - (w) “**RSU**” means a unit equivalent in value to a Share credited by means of a bookkeeping entry in the Participants’ Accounts;
 - (x) “**RSU Agreement**” has the meaning set forth in Section 3.2;
 - (y) “**Awalé Group**” means, collectively, the Company, any entity that is a Subsidiary of the Company from time to time, and any other entity designated by the Board from time to time as a member of the Awalé Group for the purposes of this Plan (and, for greater certainty, including any successor entity of any of the aforementioned entities);
 - (z) “**Security Based Compensation Arrangements**” means any incentive plan of the Company (other than this Plan), including the Company’s stock option plan, and any incentive options granted by the Company outside of this Plan;

- (aa) “**Share**” means a common share of the Company;
- (bb) “**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (cc) “**Successor**” has the meaning ascribed thereto in Section 5.2;
- (dd) “**takeover bid**” means a “take-over bid” as defined in NI 62-104 pursuant to which the “offeror” would as a result of such takeover bid, if successful, beneficially own, directly or indirectly, in excess of 50% of the outstanding Shares;
- (ee) “**TSXV**” means the TSX Venture Exchange Inc.;
- (ff) “**U.S. Participant**” means a Participant who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction); and
- (gg) “**Vesting Date**” means, with respect to any RSU, the date upon which the Award Value to which the Participant is entitled pursuant to such RSU shall irrevocably vest and become irrevocably payable by the Company to the Participant in accordance with the terms hereof.

1.2 Interpretation

Words in the singular include the plural and words in the plural include the singular. Words importing male persons include female persons, corporations or other entities, as applicable. The headings in this document are for convenience and reference only and shall not be deemed to alter or affect any provision hereof. The words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions mean or refer to this document as a whole and not to any particular Article, Section, paragraph or other part hereof.

ARTICLE II PURPOSE AND ADMINISTRATION OF THE PLAN

2.1 Purpose

The purpose of this Plan is to: (a) aid in attracting, retaining and motivating the directors, officers, employees and other eligible Participants of the Awalé Group in the growth and development of the Awalé Group by providing them with the opportunity through RSUs to acquire an increased proprietary interest in the Company; (b) more closely align their interests with those of the Company’s shareholders; (c) focus such Participants on operating and financial performance and long-term shareholder value; and (d) motivate and reward for their performance and contributions to the Company’s long-term success.

2.2 Administration of the Plan

Subject to Section 2.4, this Plan shall be administered by the Board.

2.3 Authority of the Board

The Board shall have the full power to administer this Plan, including, but not limited to, the authority to:

- (a) interpret and construe any provision hereof and decide all questions of fact arising in their interpretation;
- (b) adopt, amend, suspend and rescind such rules and regulations for administration of this Plan as the Board may deem necessary in order to comply with the requirements of this Plan, or in order to conform to any law or regulation or to any change in any laws or regulations applicable thereto;

- (c) determine the individuals or companies to whom RSUs may be awarded provided that the Board, together with such individuals or companies, are responsible for ensuring and confirming that such person is a bona fide employee, consultant or management company employee of any member of the Awalé Group and therefore eligible as a Participant;
- (d) award such RSUs on such terms and conditions as it determines including, without limitation: the time or times at which RSUs may be awarded; the time or times when each RSU shall vest and the term of each RSU; whether restrictions or limitations are to be imposed on the Shares the Company may elect to issue in settlement of all or a portion of the Award Value of vested RSUs and the nature of such restrictions or limitations, if any; any acceleration or waiver of termination or forfeiture regarding any RSU; in each case, based on such factors as the Board may determine appropriate, in its sole discretion;
- (e) take any and all actions permitted by this Plan; and
- (f) make any other determinations and take such other action in connection with the administration of this Plan that it deems necessary or advisable.

2.4 Delegation of Authority

To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee (the “**Committee**”) of the Board all or any of the powers conferred on the Board under this Plan. In such event, the Committee will exercise the powers delegated to it by the Board in the manner and on the terms authorized by the Board. Any decision made or action taken by the Committee arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive.

The Board or the Committee may delegate or sub-delegate to any director or officer of the Company the whole or any part of the administration of this Plan and shall determine the scope of such delegation or sub-delegation in its sole discretion.

2.5 Discretionary Relief

Notwithstanding any other provision hereof, the Board may, in its sole discretion, waive any condition set out herein if it determines that specific individual circumstances warrant such waiver.

2.6 Amendment or Discontinuance of the Plan

- (a) The Board may amend this Plan in any way, or discontinue this Plan altogether, and may amend, in any way, any RSU granted under this Plan at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any RSU previously granted under the Plan or any related RSU Agreement, except as otherwise permitted hereunder and further provided that no amendment will cause the Plan or any RSU to cease to comply with paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the *Income Tax Act* (Canada). In addition, the Board may, by resolution, make any amendment to this Plan or any RSU granted under it (together with any related RSU Agreement) without shareholder approval, provided however, that the Board will not be entitled to amend this Plan or any RSU granted under it without shareholder (disinterested shareholder approval if applicable) and, if applicable, TSXV approval, in order to: (i) increase the maximum number of Shares issuable pursuant to this Plan; (ii) cancel an RSU and subsequently issue to the holder of such RSU a new RSU in replacement thereof; (iii) extend the term of an RSU, but not beyond the Expiry Date; (iv) permit the assignment or transfer of an RSU other than as provided for in this Plan; (v) add to the categories of persons eligible to participate in this Plan; (vi) remove or amend Sections 4.4(b), (c), (d) or (e) of this Plan; (vii) remove or amend this Section 2.6(a); or (viii) in any other circumstances where TSXV and

shareholder approval is required by the TSXV. Any renewal of this plan will be subject to disinterested shareholder approval, and TSXV approval as applicable.

- (b) Without limitation of Section 2.6(a), the Board may correct any defect or supply any omission or reconcile any inconsistency in this Plan in the manner and to the extent deemed necessary or desirable, may establish, amend, and rescind any rules and regulations relating to this Plan, and may make such determinations as it deems necessary or desirable for the administration of this Plan.
- (c) On termination of this Plan, any outstanding awards of RSUs under this Plan shall immediately vest and the Award Value underlying the RSUs shall be paid to the Participants in accordance with and upon compliance with Section 4.6. This Plan will finally cease to operate for all purposes when (i) the last remaining Participant receives payment in respect of the Award Value underlying all RSUs credited to the Participant's Account, or (ii) all unvested RSUs expire in accordance with the terms of this Plan and the relevant RSU Agreements, notwithstanding the foregoing, the Plan shall terminate on September 20, 2031.

2.7 Final Determination

Any determination or decision by, or opinion of, the Board, the Committee or a director or officer of the Company made or held pursuant to the terms set out herein shall be made or held reasonably and shall be final, conclusive and binding on all parties concerned, including, but not limited to, the Company, the Participants and their beneficiaries and legal representatives.

Subject to Section 2.5, all rights, entitlements and obligations of Participants under this Plan are set forth in the terms hereof and cannot be modified by any other documents, statements or communications, except by amendment to the terms set out herein referred to in Section 2.6.

2.8 Withholding Taxes

When a Participant or other person becomes entitled to receive a payment in respect of any RSUs, the Company or a member of the Awalé Group shall have the right to require the Participant or such other person to remit to the Company or to a member of the Awalé Group, as the case may be, an amount sufficient to satisfy any withholding tax requirements relating thereto. Unless otherwise prohibited by the Committee or by applicable law, satisfaction of the withholding tax obligation may be accomplished by any of the following methods or by a combination of such methods:

- (a) the tendering by the Participant of a cash payment to the Company, or a member of the Awalé Group, as the case may be;
- (b) where the Company has elected to issue Shares to the Participant, the withholding by the Company or a member of the Awalé Group, as the case may be, from the Shares otherwise deliverable to the Participant such number of Shares as it determines are required to be sold by the Company, or a member of the Awalé Group, as the case may be, as agent for and on behalf of the Participant, to satisfy the total withholding tax obligation (net of selling costs, which shall be paid by the Participant). The Participant consents to such sale and grants to the Company, or a member of the Awalé Group, as the case may be, an irrevocable power of attorney to effect the sale of such Shares and acknowledges and agrees that neither the Company nor any member of the Awalé Group accepts any responsibility for the price obtained on the sale of such Shares; or
- (c) the withholding by the Company or a member of the Awalé Group, as the case may be, from any cash payment otherwise due to the Participant;

provided, however, that the sum of any cash so paid or withheld and the Fair Market Value of any Shares so withheld is sufficient to satisfy the total withholding tax obligation. Any reference in this Plan to the Award Value or payment of cash or issuance of Shares in settlement thereof is expressly subject to this Section 2.8.

2.9 Taxes

Participants (or their beneficiaries) shall be responsible for reporting and paying all taxes with respect to any RSUs under the Plan, whether arising as a result of the grant or vesting of RSUs or otherwise. Neither the Company nor the Board make any guarantees to any person regarding the tax treatment of an RSU or payments made under the Plan and none of the Company or any of its employees or representatives shall have any liability to a Participant with respect thereto. In the event the Company applies in a local jurisdiction for a favourable and/or reduced tax route in such jurisdiction, and if the Plan or the grant fails to qualify for this reduced tax route, for any reason, the Participant in this jurisdiction shall bear the full responsibility for the taxes and the Company shall bear no liability what so ever to the Participant for such tax treatment. The Company will provide each Participant with (or cause each Participant to be provided with) a T4 slip or such information return as may be required by applicable law to report income, if any, arising upon the grant or vesting of rights under this Plan by a Participant for income tax purposes.

2.10 Information

Each Participant shall provide the Company with all of the information (including personal information) that it requires in order to administer this Plan.

2.11 Account Information

Information pertaining to the RSUs in Participants' Accounts will be made available to the Participants at least annually in such manner as the Company may determine and shall include such matters as the Board or the Committee may determine from time to time or as otherwise may be required by law.

2.12 Indemnification

Each member of the Board or Committee is indemnified and held harmless by the Company against any cost or expense (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the terms hereof to the extent permitted by applicable law. This indemnification is in addition to any rights of indemnification a Board or Committee member may have as director or otherwise under the Articles of the Company, any agreement, any vote of shareholders, or disinterested directors, or otherwise.

ARTICLE III ELIGIBILITY AND PARTICIPATION IN THE PLAN

3.1 Participation

The Board, in its sole discretion, shall determine, or shall delegate to the Committee the authority to determine, which Participants will participate in this Plan.

3.2 RSU Agreement

A Participant shall confirm acknowledgement of an award of RSUs made to such Participant in such form as determined by the Board from time to time (the "**RSU Agreement**"), within such time period and in such manner as specified by the Board. If acknowledgement of an award of RSUs is not confirmed by a Participant within the time specified, the Company reserves the right to revoke the crediting of RSUs to the Participant's Account.

3.3 Participant's Agreement to be Bound

Participation in this Plan by any Participant shall be construed as irrevocable acceptance by the Participant of the terms and conditions set out herein and all rules and procedures adopted hereunder and as amended from time to time.

ARTICLE IV TERMS OF THE PLAN

4.1 Grant of RSUs

Subject to Section 3.2, an award of RSUs pursuant to this Plan will be made and the number of such RSUs awarded will be credited to each Participant's Account, effective as of the Award Date. The number of RSUs to be credited to each Participant's Account shall be determined by the Board, or the Committee delegated by the Board to do so, each in its sole discretion.

4.2 Credits for Dividends

Following the declaration and payment of dividends on the Shares, the Board may, in its absolute discretion, determine to make a cash payment to a Participant in respect of outstanding vested RSUs credited to the Participant's Account and subject to the Participant providing an executed exercise notice (a "**Dividend Equivalent**"). Such Dividend Equivalent, if any, shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions computed to three decimal places. Payment of any such Dividend Equivalent will be made forthwith following any such determination by the Board and in any event within thirty (30) days of such determination.

4.3 Vesting

- (a) Unless otherwise determined by the Board or the Committee in accordance with Section 4.3(b), RSUs shall vest as follows: 50% on the date that is one year from the Award Date and the remaining 50%, on the date that is two years from the Award Date.
- (b) Notwithstanding Section 4.3(a), the Board or the Committee may, in its sole discretion, determine the time during which RSUs shall vest (except that no RSU, or portion thereof, may vest after the Expiry Date) and whether there shall be any other conditions or performance criteria to vesting. Notwithstanding the foregoing, the Committee may, at its sole discretion at any time or in the RSU Agreement in respect of any RSUs granted, accelerate or provide for the acceleration of vesting in whole or in part of RSUs previously granted.
- (c) The Award Value of any RSU shall be determined as of the applicable Vesting Date.

4.4 Limits on Issuances

Notwithstanding any other provision of this Plan:

- (a) the maximum number of Shares issuable at any time pursuant to RSUs under this Plan shall be limited to **3,662,875**, subject to the number of Shares issuable at any time under all Security Based Compensation Arrangements (including, for greater certainty, pursuant to RSUs issued under this Plan) not exceeding 10% of the issued and outstanding Shares;
- (b) RSUs will not be granted to persons providing Investor Relations Activities and the number of Shares reserved for issuance to Participants retained to provide Investor Relations Activities under

all Security Based Compensation Arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Shares;

- (c) the number of Shares reserved for issuance to any one Participant retained as a consultant to provide services to any of the entities comprising the Awalé Group under all Security Based Compensation Arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Shares;
- (d) unless the Company has received disinterested shareholder approval to do so, the number of Shares reserved for issuance to any one Participant under all Security Based Compensation Arrangements in any 12 month period will not exceed 5% of the issued and outstanding Shares calculated as at the date of the grant to such Participant;
- (e) unless the Company has received disinterested shareholder approval to do so the number of Shares issuable to Insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Shares; and
- (f) unless the Company has received disinterested shareholder approval to do so the number of Shares issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Shares calculated at the date of the grant to any Insider.

For the purposes of this Section 4.4, any increase in the issued and outstanding Shares (whether as a result of the issue of Shares from treasury in settlement of the Award Value underlying vested RSUs or otherwise) will not increase the number of Shares that may be issued pursuant to this Plan. Shares issued from treasury in settlement of an Award Value underlying vested RSUs will not become available for grant under this Plan.

RSUs (or the Award Value thereof) that are cancelled, surrendered, terminated or that expire prior to the final Vesting Date or in respect of which the Company has not elected to issue Shares from treasury in respect thereof shall result in such Shares that were reserved for issuance thereunder being available to be issued, at the election of Company, in respect of a subsequent grant of RSUs pursuant to this Plan to the extent of any Shares which have not been issued from treasury in respect of any such RSU.

For purposes of the calculations in this Section 4.4 only, it shall be assumed that all issued and outstanding RSUs will be settled by the issuance of Shares from treasury, notwithstanding the Company's right pursuant to Section 4.6 to settle the Award Value underlying vested RSUs in cash (if applicable) or a combination of the two..

In addition to the terms set out herein, the administration and limitations of this Plan will be subject to the provisions of TSXV Policy 4.4 – *Incentive Stock Options*, as applicable.

4.5 RSU Terms

The term during which a RSU may be outstanding shall, subject to the provisions of this Plan requiring or permitting the acceleration or the extension of the term, be such period as may be determined from time to time by the Board or the Committee, but subject to the rules of any stock exchange or other regulatory body having jurisdiction (but in no case shall the term of an RSU extend beyond the Expiry Date).

In addition, unless otherwise determined by the Board or the Committee, or unless the Company and a Participant agree otherwise in an RSU Agreement or other written agreement (including an employment or consulting agreement), each RSU shall provide that if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, any of the entities comprising the Awalé Group for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board in its sole discretion, before all of the awards respecting RSUs credited

to the Participant's Account have vested or are forfeited pursuant to any other provision hereof, (i) such Participant shall cease to be a Participant as of the Forfeiture Date, (ii) the former Participant shall forfeit all unvested awards respecting RSUs credited to the Participant's Account effective as at the Forfeiture Date, (iii) any Award Value corresponding to any vested RSUs remaining unpaid as of the Forfeiture Date shall be paid to the former Participant in accordance with Section 4.6, and (iv) the former Participant shall not be entitled to any further payment from this Plan.

Notwithstanding the preceding paragraph or anything else contained in this Plan to the contrary, unless otherwise determined by the Board or the Committee, or unless the Company and a Participant agree otherwise in an RSU Agreement or other written agreement (including an employment or consulting agreement), if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, any of the entities comprising the Awalé Group due to the death of the Participant, any unvested RSUs in the deceased Participant's Account effective as at the time of the Participant's death shall be deemed to have vested immediately prior to the Forfeiture Date with the result that the deceased Participant shall not forfeit any unvested RSUs and the Award Value corresponding to all RSUs credited to such Participant's Account shall be paid to the legal representative of the deceased former Participant's estate in accordance with Section 4.6 after receipt of satisfactory evidence of the Participant's death from the authorized legal representative of the deceased Participant within thirty (30) days.

Where a Vesting Date occurs on a date when a Participant is subject to a Black-Out Period, such Vesting Date shall be extended to a date which is within (10) ten business days following the end of such Black-Out Period, and further provided that (i) if any such extension would cause the Vesting Date or Vesting Dates to extend beyond the Expiry Date, the amounts to be paid on such Vesting Date or Vesting Dates shall be paid on the Expiry Date notwithstanding the Black-Out Period, and (ii) if a Forfeiture Date occurs in respect of a Participant after the original Vesting Date then any unvested RSUs credited to the Participant's Account effective as of the Forfeiture Date that would have vested as of the original Vesting Date but for the Black-Out Period, shall be deemed to have vested immediately prior to the Forfeiture Date, but, subject to subparagraph (i), the Award Value of any such-vested RSUs shall be determined as of the Vesting Date as so extended by the provisions above, and any payment thereof shall be made only after such determination.

This Plan does not confer upon a Participant any right with respect to continuation of employment by or service provision to any of the entities comprising the Awalé Group, nor does it interfere in any way with the right of the Participant or any of the entities comprising the Awalé Group to terminate the Participant's employment or service provision at any time.

4.6 Payment in Respect of RSUs

On the Vesting Date, the Company, at its sole and absolute discretion, shall have the option of settling the Award Value payable in respect of an RSU by any of the following methods or by a combination of such methods:

- (a) payment in cash; or
- (b) payment in Shares issued from the treasury of the Company, subject to regulatory hold periods if any.

The Company shall not determine whether the payment method shall take the form of cash (if applicable) or Shares until the Vesting Date, or some reasonable time prior thereto. A holder of RSUs shall not have any right to demand, be paid in, or receive Shares in respect of the Award Value underlying any RSU at any time. Notwithstanding any election by the Company to settle the Award Value of any vested RSUs, or portion thereof, in Shares, the Company reserves the right to change its election in respect thereof at any time up until payment is actually made, and the holder of such vested RSUs shall not have the right, at any time to enforce settlement in the form of Shares of the Company.

Any amount payable to a Participant in respect of vested RSUs shall be paid to the Participant as soon as practicable following the Vesting Date and in any event within thirty (30) days of the Vesting Date and prior to the Outside Payment Date (provided that any amount payable with respect to a Vesting Date that occurs after the Forfeiture, but before the RSU has terminated in accordance with an applicable provision of Section 4.6, must occur not later than the Expiry Date).

Where the Company elects to pay any amounts pursuant to vested RSUs by issuing Shares, and the determination of the number of Shares to be delivered to a Participant in respect of a particular Vesting Date would result in the issuance of a fractional Share, the number of Shares deliverable on the Vesting Date shall be rounded down to the next whole number of Shares. No certificates representing fractional Shares shall be delivered pursuant to this Plan nor shall any cash amount be paid at any time in lieu of any such fractional interest.

ARTICLE V EFFECT OF CORPORATE EVENTS

5.1 Alterations in Shares

In the event:

- (a) of any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or
- (b) that any rights are granted to all or substantially all shareholders to purchase Shares at prices substantially below Fair Market Value; or
- (c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities or property;

then the Board may make such adjustments to this Plan, to any RSUs and to any RSU Agreements outstanding under this Plan as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of amounts to be paid to Participants hereunder.

5.2 Merger and Sale, etc.

Except in the case of a transaction that is a Change of Control and to which Section 5.3 applies, if the Company enters into any transaction or series of transactions whereby the Company or all or substantially all of the assets would become the property of any other trust, body corporate, partnership or other person (a “**Successor**”), whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, prior to or contemporaneously with the consummation of such transaction the Company and the Successor will execute such instruments and do such things as the Board or the Committee may determine are necessary to establish that upon the consummation of such transaction the Successor will assume the covenants and obligations of the Company under this Plan and the RSU Agreements outstanding on consummation of such transaction. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Plan and RSU Agreements with the same effect as though the Successor had been named as the Company herein and therein and thereafter, the Company shall be relieved of all obligations and covenants under this Plan and such RSU Agreements and the obligation of the Company to the Participants in respect of the RSUs shall terminate and be at an end and the Participants shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Shares upon vesting of the RSUs.

5.3 Change of Control

Notwithstanding any other provision in this Plan but subject to any provision to the contrary contained in an RSU Agreement or other written agreement (such as an agreement of employment) between the Company and

a Participant, if there takes place a Change of Control, the Board or the Committee shall have the absolute discretion to determine if all issued and outstanding RSUs shall vest (whether or not then vested) upon the Change of Control and the Vesting Date shall be the date which is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board or the Committee, in its absolute discretion, prior to the time such Change of Control takes place.

ARTICLE VI GENERAL

6.1 Compliance with Laws

The Company, in its sole discretion, may postpone the issuance or delivery of any Shares that it elects to issue pursuant to any RSU to such date as the Committee may consider appropriate, and may require any Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Shares in compliance with applicable laws, rules and regulations, except that in no event may the issuance of such Shares in respect of a RSU occur after the Outside Payment Date. The Company shall not be required to qualify for resale pursuant to a prospectus or similar document any Shares that it elects to issue pursuant to the Plan, provided that, if required, the Company shall notify the Exchange and any other appropriate regulatory bodies in Canada and the United States of the existence of the Plan and the granting of RSUs hereunder in accordance with any such requirements.

6.2 General Restrictions and Assignment

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

The rights and obligations hereunder may be assigned by the Company to a Successor to the business of the Company.

6.3 Market Fluctuations

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

The Company makes no representations or warranties to Participants with respect to this Plan or the RSUs whatsoever. Participants are expressly advised that the value of any RSUs and Shares under this Plan will fluctuate as the trading price of Shares fluctuates.

In seeking the benefits of participation in this Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Shares and all other risks associated with the holding of RSUs.

6.4 No Shareholder Rights

Until Shares have actually been issued and delivered should the Company elect to so issue Shares in accordance with the terms of the Plan, a Participant to whom RSUs have been granted shall not possess any incidents of ownership of such Shares including, for greater certainty and without limitation, the right to receive dividends, if any, on such Shares and the right to exercise voting rights in respect of such Shares.

6.5 Section 409A

This Plan, the RSUs and payments made to U.S. Participants pursuant to this Plan are intended to comply with, or qualify for an exemption from, the requirements of Section 409A of the Code and shall be construed

consistently therewith and shall be interpreted in a manner consistent with that intention. Terms defined in this Plan shall have the meanings given to such terms under Section 409A of the Code if and to the extent required to comply with Section 409A. Notwithstanding any other provision of this Plan, the Company reserves the right, to the extent it deems necessary or advisable, in its sole discretion, to unilaterally amend the Plan to ensure that all RSUs issued to U.S. Participants are awarded in a manner that qualifies for exemption from, or complies with, Section 409A, provided, however, that the Company makes no undertaking to preclude Section 409A from applying to an award of RSUs, and the U.S. Participant or his or her estate, as the case may be, is and shall at all times be solely responsible for the payment of all taxes and penalties under Section 409A. The Company, its affiliates, directors, officers and agents shall have no liability to a U.S. Participant, or any other party, if an RSU that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant, or for any action taken by the Committee.

6.6 Governing Law

The validity, construction and effect of this Plan and any actions taken or relating to this Plan shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

6.7 Currency

All amounts paid or values to be determined under this Plan shall be in Canadian dollars.

6.8 Severability

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

6.9 Effective Time

This Plan shall be effective as of September 20, 2021.

SCHEDULE "B"
AMENDED OPTION PLAN

AWALÉ RESOURCES LTD.
(the “COMPANY”)

2021 STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan (the “**Plan**”) for Eligible Persons (as defined below). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten (10) years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of the Exchange and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 “**affiliate**” means an “affiliate” as defined in the TSXV Policies.
- 2.2 “**associate**” means an “associate” as defined in the TSXV Policies.
- 2.3 “**Black-Out Period**” means the period of time when, pursuant to any policies of the Company, any securities of the Company may not be traded by certain persons as designated by the Company, including any Eligible Person that holds an Option.
- 2.4 “**Board**” means the Board of Directors of the Company as constituted from time to time.
- 2.5 “**Change of Control**” means:
- (a) A successful takeover bid; or
 - (i) any change in the beneficial ownership or control of the outstanding securities or other interests of the Company which results in:
 - (A) a person or group of persons “acting jointly or in concert” (within the meaning of NI 62-104); or
 - (B) an affiliate or associate of such person or group of persons;holding, owning or controlling, directly or indirectly, more than 50% of the outstanding voting securities or interests of the Company; and
 - (ii) members of the Board who are members of the Board immediately prior to the earlier of such change and the first public announcement of such change cease to constitute a majority of the Board at any time within sixty days of such change; or
 - (b) Incumbent Directors no longer constituting a majority of the Board; or
 - (c) the winding up of the Company or the sale, lease or transfer of all or substantially all of the assets to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Company is continued and where the shareholdings or other securityholdings, as the case may be, in the continuing entity and the constitution of the board of directors or similar body of the continuing entity is such that the transaction would not be considered a “Change of Control” if paragraph 2.5(a)(i)(A) above was applicable to the transaction); or

- (d) any determination by a majority of the Board that a Change of Control has occurred or is about to occur and any such determination shall be binding and conclusive for all purposes of this Plan.
- 2.6 **“Code”** shall mean the U.S. Internal Revenue Code of 1986, as amended.
- 2.7 **“Company”** means Awalé Resources Ltd. and its successors.
- 2.8 **“Consultant”** means a “Consultant” as defined in the TSXV Policies.
- 2.9 **“Consultant Company”** means a “Consultant Company” as defined in the TSXV Policies.
- 2.10 **“Disability”** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
- (b) acting as a director or officer of the Company or its subsidiaries.
- 2.11 **“Discounted Market Price”** of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the TSXV Policy applicable to incentive stock options.
- 2.12 **“Disinterested Shareholder Approval”** means approval by a majority of the votes attaching to shares voted at a meeting of shareholders of the Company, excluding the votes attaching to shares held by persons with an interest in the subject matter of the resolution, in accordance with TSXV Policies.
- 2.13 **“Eligible Persons”** means a director, senior officer, Employee, Management Company Employee and a consultant of either or both of the Company or its subsidiaries.
- 2.14 **“Employee”** means an “Employee” as defined in the TSXV Policies.
- 2.15 **“Exchange”** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.16 **“Expiry Date”** means the date set by the Board under paragraph 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.17 **“Expiry Time”** means, in respect of an Option, 4:00pm Pacific Standard Time on the Expiry Date of such Option.
- 2.18 **“Fair Market Value”** with respect to a Share, as at any date, means the volume weighted average of the prices at which the Shares traded on the TSXV (or, if the Shares are not then listed and posted for trading on the TSXV or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Shares occurs) for the three (3) trading days on which the Shares traded on the said exchange immediately preceding such date. In the event that the Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith.
- 2.19 **“Grant Date”** means the date specified in an Option Agreement as the date on which an Option is granted.

- 2.20 **“Incentive Stock Option”** shall mean an Option granted to a U.S. Participant that is intended to qualify as an “incentive stock option” within the meaning of section 422 of the Code.
- 2.21 **“Incumbent Directors”** means any member of the Board who was a member of the Board at the effective date of this Plan and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the Board, including a majority of the Incumbent Directors then on the Board, prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control.
- 2.22 **“insider”** means an “insider” as defined in the TSXV Policies.
- 2.23 **“Investor Relations Activities”** means any activities, by or on behalf of the Company or shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (i) to promote the sale of products or services of the Company, or
 - (ii) to raise public awareness of the Company, that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
 - (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws;
 - (ii) the by-laws, rules or other regulatory instruments of the Exchange or any other self-regulatory body or exchange having jurisdiction over the Company;
 - (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (i) the communication is only through the newspaper, magazine or publication, and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (d) activities or communications that may be otherwise specified by the Exchange.
- 2.24 **“Management Company Employee”** means a “Management Company Employee” as defined in the TSXV Policies.
- 2.25 **“Market Price”** of Shares at any Grant Date means the last closing price per Share on the last day on which Shares were traded prior to the day on which the Company announces the grant of the Option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, “Market Price” of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.26 **“NI 62-104”** means National Instrument 62-104 — *Take-Over Bids and Issuer Bids*, as amended from time to time;
- 2.27 **“Nonqualified Stock Option”** shall mean an Option granted to a U.S. Participant that is not an Incentive Stock Option.
- 2.28 **“Option”** means an option to purchase Shares granted pursuant to this Plan.

- 2.29 **“Option Agreement”** means an agreement, in the form attached hereto as Schedule “A”, whereby the Company grants to an Optionee an Option.
- 2.30 **“Optionee”** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.31 **“Option Price”** means the price per Share specified in an Option Agreement, as adjusted from time to time in accordance with the provisions of section 5.
- 2.32 **“Option Shares”** means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.33 **“Plan”** means this 2021 Stock Option Plan.
- 2.34 **“Shares”** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.35 **“Securities Act”** means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.36 **“Securities Laws”** means “Securities Laws” as defined in the TSXV Policies.
- 2.37 **“takeover bid”** means a “take-over bid” as defined in NI 62-104 pursuant to which the “offeror” would as a result of such takeover bid, if successful, beneficially own, directly or indirectly, in excess of 50% of the outstanding Shares.
- 2.38 **“10% Shareholder”** shall mean a person who owns (taking into account the constructive ownership rules under section 424(d) of the Code) more than 10% of the total combined voting power of all classes of shares of the Company (or of any parent or subsidiary of the Company within the meaning of section 424(e) and 424(f) of the Code).
- 2.39 **“TSXV”** means TSX Venture Exchange Inc..
- 2.40 **“TSXV Policies”** means the policies included in the TSX Venture Exchange Corporate Finance Manual, as amended from time to time, and “TSXV Policy” means any one of them.
- 2.41 **“Unissued Option Shares”** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.42 **“U.S. Participant”** shall mean an Optionee who is a citizen or a resident of the United States (including its territories, possessions and all areas subject to the jurisdiction).
- 2.43 **“U.S. Securities Act”** shall mean the United States *Securities Act of 1933*, as amended.
- 2.44 **“Vested”** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. GRANT OF OPTIONS

3.1 Option Terms

Pursuant to paragraph 7.3 of the Plan, the Board shall have the authority to issue Options and set the terms of Options in accordance with the terms of the Plan and applicable policies of the Exchange.

The Board may from time to time authorize the issue of Options to Eligible Persons.

Subject to the limitations in Section 6.2(c) applicable to U.S. Participants and Section 6.3(c) applicable to Incentive Stock Options, the Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date provided that if an Option is granted within 90 days of the distribution of Shares by the Company pursuant to a prospectus, the Option Price must be the greater of the Discounted Market Price and the per share price paid for Shares acquired under such distribution. The 90 day period begins: (i) on the date a final receipt is issued for the prospectus, or, in the case of an initial public offering of Shares, on the date of listing of the Shares; or (ii) in the case of a prospectus that qualifies the distribution of Shares upon the exercise of special warrants, on the date of issuance of such special warrants.

The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date, subject to the operation of paragraph 4.5. Options shall not be assignable (or transferable) by the Optionee.

3.2 Previously Granted Options

In the event that on the date this Plan is implemented and effective (the “**Effective Date**”) there are outstanding stock options (the “**Pre-Existing Options**”) that were previously granted by the Company pursuant to any stock option plan in place prior to the Effective Date (a “**Pre-Existing Plan**”), all such

Pre-Existing Options shall, effective as of the Effective Date, be governed by and subject to the terms of the Plan.

3.3 Limits on Shares Issuable on Exercise of Options

At the time of grant of any Option, the aggregate number of Shares reserved for issuance under the Plan which may be made subject to Options at any time and from time to time (including those issuable upon the exercise of Pre-Existing Options) the aggregate number of Shares issuable upon exercise of Options shall not exceed 10% of the total number of issued and outstanding Shares, on a non-diluted basis, as constituted on the Grant Date of such Option.

Any Shares subject to an Option which has been granted under the Plan and which has been subsequently cancelled or terminated in accordance with the terms of the Plan, without having been exercised, will again be available for issuance pursuant to the exercise of Options granted under the Plan.

The number of Shares which may be issuable under the Plan and all of the Company’s other previously established or proposed share compensation arrangements:

- (a) within a one-year period to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit;
- (b) within a one-year period to insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Company has obtained Disinterested Shareholder Approval to exceed such limit;
- (c) within a one-year period to any one Consultant shall not exceed 2% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (d) within a one-year period to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

3.4 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. In respect of Options granted to Employees, Consultants,

Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement by the Company shall constitute conclusive evidence that the Option issued thereunder has been awarded in compliance with this Plan.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to paragraphs 4.3, 4.4, 4.5 and 6.2, including, without limitation: (i) any restriction (including vesting requirements) on the number or percentage of Option Shares which may be purchased by the Optionee during any particular time period; (ii) any restriction on the exercise of Options pursuant to the requirements of a Black-Out Period or any regulatory authority having jurisdiction; and (iii) termination of the Option in accordance with the terms of the Plan, the unexercised portion of an Option may be exercised by the Optionee in whole or in part at any time after the Grant Date up to the Expiry Time and shall not be exercisable thereafter.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company written notice specifying the number of Option Shares in respect of which the Option is being exercised together with payment in full of the Option Price for each such Option Share by way of certified cheque, bank draft, money order or cash. Upon receipt of such notice and payment by the Company, there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Upon an Optionee exercising an Option and paying the Company the aggregate purchase price for the Option Shares in respect of which the Option has been exercised, the Company shall as soon as practicable issue and deliver a certificate representing the Shares so purchased.

4.3 Vesting of Option Shares

The Board, subject to the policies of the Exchange, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in paragraph 3.3 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Consultants performing Investor Relations Activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period. Notwithstanding the foregoing, in the event that a Pre-Existing Plan imposed vesting requirements on a Pre-Existing Option, such vesting requirements must be satisfied before any such Pre- Existing Options shall become Vested.

4.4 Ceasing to be an Eligible Person and Death

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If an Optionee (or: (a) in the case of an Optionee that is not an individual, the person that controls such Optionee; or (b) in the case of an Optionee that is a Consultant Company, all of the individuals who provide services to the Company or its subsidiaries on behalf of such Consultant Company) shall die, any Option held by such Optionee at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period ending on the earlier of: (a) one year after the date of death of the Optionee; and (b) the Expiry Time in respect of the Option, and then only to the extent that such Optionee was entitled to exercise the Option at the date of death of such Optionee.

If the Optionee ceases to be an Eligible Person, due to his or her Disability or, in the case of an Optionee that is a company, the Disability of the person who provides management or

consulting services to the Company or to any entity controlled by the Company, any Option held by such Optionee at the date of Disability shall be exercisable in whole or in part for a period ending on the earlier of: (a) one year after the date of Disability of the Optionee; and (b) the Expiry Time in respect of the Option, and then only to the extent that such Optionee was entitled to exercise the Option at the date of Disability of such Optionee.

(b) Termination For Cause

If the Optionee ceases to be an Eligible Person as a result of “termination for cause” of such Optionee by the Company or its subsidiary (or in the case of an Optionee who is a Management Company Employee or Consultant, by the Optionee’s employer), as that term is interpreted by the courts of the jurisdiction in which the Optionee is employed or engaged, any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company’s retirement policy then in force, or due to his or her voluntary resignation, or to his or her termination by the Company or its subsidiary other than for cause (or, in the case of an Optionee who is a Management Company Employee or a Consultant, the termination of the company providing management or consultant services to the Company or its subsidiary), any outstanding Option then held by such Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of: (i) the Expiry Time; and (ii) the date that is 90 days (or 30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of sub-paragraph 5.3(c) an Optionee receives options (the “**New Options**”) to purchase securities of another company (the “**New Company**”) in respect of the Optionee’s Options (the “**Subject Options**”), the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to sub-paragraph 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company’s stock option plan that correspond to sub-paragraphs 4.4(a), (b) or (c) hereof; and (iv) the date that is two (2) years after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.

(e) Interpretation

For purposes of this paragraph 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Company or is paid salary by the Company in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

4.5 Extension of Expiry Date During Black-Out Period

If the Expiry Date in respect of any Option occurs during or within five (5) trading days following a Black-Out Period imposed by the Company, the Expiry Date of the Option shall be automatically extended to the date that is ten (10) trading days following the end of such Black-Out Period (the “**Extension Period**”); provided that if an additional Black-Out Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Black-Out Period to enable the exercise of such Options within ten (10) trading days following the end of the last imposed Black-Out Period.

4.6 Effect of a Take-Over Bid

If a *bona fide* offer (an “**Offer**”) for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the *Securities Act*, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchange) all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then, subject to the limitations in Section 6.2(f) applicable to U.S. Participants, the Option Shares received upon such exercise, or in the case of sub-paragraph (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Company under this paragraph 4.6, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

4.7 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this paragraph, except that not less than 5 business days and not more than 35 days notice is required.

4.8 Compulsory Acquisition or Going Private Transaction

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares of the Company pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the take-over bid.

4.9 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchange, if necessary.

4.10 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company (including, in the case of a Management Company Employee or Consultant, termination of the company providing such management or consulting services to the Company or its subsidiary), the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.11 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "Share Reorganization") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
 - (i) the Option Price in effect immediately before that effective date or record date; and
 - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in clause (a)(ii).

5.2 Special Distribution

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a “**Special Distribution**”), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in paragraphs 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company’s shareholders, or the exchange with the Company’s shareholders, of securities of the Company, or securities of another company, or both; or
- (d) a transaction whereby all or substantially all of the Company’s undertaking and assets become the property of another corporation;

(any such event being herein called a “**Corporate Reorganization**”) the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company’s auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchange and any other governmental authority having jurisdiction.

6. OPTIONS GRANTED TO U.S. PARTICIPANTS

6.1 Maximum Number of Shares for Incentive Stock Options

Notwithstanding any other provision of this Plan to the contrary (including, but not limited to, Section 3.3), the number of Shares available for granting Incentive Stock Options under the Plan may not exceed 10% of the total number of Shares outstanding on a non-diluted basis as of the later of: (i) date this Plan is initially

adopted by the Board of Directors or (ii) the date the Plan is approved (or re- approved) by the shareholders of the Company, subject to adjustment in accordance with Article 5.

6.2 Special Requirements for Incentive Stock Options and Nonqualified Stock Options

The stock option agreement relating to any Option granted to a U.S. Participant shall specify whether such Option is an Incentive Stock Option or a Nonqualified Stock Option. If no such specification is made, the Option will be (a) an Incentive Stock Option if all of the requirements under the Code are satisfied or (b) in all other cases, a Nonqualified Stock Option. In addition to the other provisions of this Plan (and notwithstanding any other provision of this Plan to the contrary), the following limitations and requirements will apply to any Option granted to a U.S. Participant:

- (c) The exercise price payable per Share upon exercise of an Option will not be less than 100% of the Fair Market Value of a Share on the date of grant of such Option;
- (d) The Company may use its reasonable efforts to ensure that any adjustment with respect to the exercise price for and number of Shares subject to an Option (including, but not limited to, the adjustments contemplated under Section 5) granted to a U.S. Participant pursuant to this Plan will be made so as to comply with, and not create any adverse consequences under, sections 424 and 409A of the Code;
- (e) With respect to any extension of an Expiry Date in accordance with paragraph 4.5 of the Plan, the term “Black-Out Period” shall mean a period of time during which, pursuant to the policies of the Company that are reasonably designed to ensure compliance with applicable securities laws or rules of the Exchange, trading in Shares or Options is prohibited or restricted; and
- (f) With respect to the right of rescission provided in Section 4.6, such right shall be limited so as to comply with, and not to create any adverse consequences under, section 409A or any other provision of the Code.

6.3 Special Requirements for Incentive Stock Options

In addition to the other provisions of this Plan (and notwithstanding any other provision of this Plan to the contrary), the following limitations and requirements will apply to an Incentive Stock Option:

- (a) An Incentive Stock Option may be granted only to employees (including a director or officer who is also an employee) of the Company (or of any parent or subsidiary of the Company). For purposes of this Article 6, the term “employee” shall mean a person who is an employee for purposes of the Code and the terms “parent” and “subsidiary” shall have the meanings set forth in sections 424(e) and 424(f) of the Code;
- (b) The Company will not grant Incentive Stock Options in which the aggregate Fair Market Value (determined as of the date of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any U.S. Participant during any calendar year (under this Plan and all other plans of the Company and of any parent or subsidiary of the Company) exceeds US\$100,000 or any limitation subsequently set forth in section 422(d) of the Code;
- (c) The exercise price payable per Share upon exercise of an Incentive Stock Option will not be less than 100% of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option; provided, however, that, in the case of the grant of an Incentive Stock Option to a U.S. Participant who, at the time such Incentive Stock Option is granted, is a 10% Shareholder, the exercise price payable per Share upon exercise of such Incentive Stock Option will be not less than 110% of the Fair Market Value of a Share on the date of grant of such Incentive Stock Option;

- (d) An Incentive Stock Option will terminate and no longer be exercisable no later than ten years after the date of grant of such Incentive Stock Option; provided, however, that in the case of a grant of an Incentive Stock Option to a U.S. Participant who, at the time such Incentive Stock Option is granted, is a 10% Shareholder, such Incentive Stock Option will terminate and no longer be exercisable no later than five years after the date of grant of such Incentive Stock Option;
- (e) If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Company (or by any parent or subsidiary of the Corporation) for any reason, whether voluntary or involuntary, other than death, permanent disability or cause, such Incentive Stock Option shall be exercisable by the U.S. Participant (to the extent such Incentive Stock Option was Vested on the date of cessation of employment) at any time prior to the earlier of (i) the date that is three months after the date of cessation of employment or (ii) the expiration of the term of such Incentive Stock Option. If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Corporation (or by any parent or subsidiary of the Corporation) because of the death or permanent disability of such U.S. Participant, such U.S. Participant, such U.S. Participant's personal representatives or administrators, or any person or persons to whom such Incentive Stock Option is transferred by will or the applicable laws of descent and distribution, may exercise such Incentive Stock Option (to the extent such Incentive Stock Option was Vested on the date of death or permanent disability, as the case may be) at any time prior to the earlier of (i) the date that is one year after the date of death or permanent disability, as the case may be, or (ii) the expiration of the term of such Incentive Stock Option. If a U.S. Participant who has been granted Incentive Stock Options ceases to be employed by the Company (or by any parent or subsidiary of the Company) for cause, the right to exercise such Incentive Stock Option will terminate on the date of cessation of employment, unless otherwise determined by the directors. For purposes of this Article 6, the term "permanent disability" has the meaning assigned to that term in section 422(e)(3) of the Code;
- (f) An Incentive Stock Option granted to a U.S. Participant may be exercised during such
- (g) U.S. Participant's lifetime only by such U.S. Participant;
- (h) An Incentive Stock Option granted to a U.S. Participant may not be transferred, assigned or pledged by such U.S. Participant, except by will or by the laws of descent and distribution; and
- (i) No Incentive Stock Option will be granted more than ten years after the earlier of the date this Plan is adopted by the Board or the date this Plan is approved by the shareholders of the Company.

7. MISCELLANEOUS

7.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

7.2 Necessary Approvals

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested Shareholder Approval (as required by the Exchange) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental

authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

7.3 Administration of the Plan

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in paragraph 5.4, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

7.4 Withholding Taxes

The Company or any subsidiary of the Company may take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Company or any subsidiary of the Company is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any Option or Option exercise including, without limiting the generality of the foregoing, the withholding and/or remitting of all or any portion of any payment or the withholding of the issue of Shares to be issued upon the exercise of any Option until such time as the Optionee has paid to the Company or any subsidiary of the Company (in addition to the exercise price payable for the exercise of Options) the amount which the Company or subsidiary of the Company reasonably determines is required to be withheld and/or remitted with respect to such taxes.

7.5 Amendments to the Plan

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders, the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

7.6 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

7.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

7.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

7.9 No Assignment

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

7.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

7.11 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

7.12 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

7.13 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

7.14 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

Approved by the Board of Directors as of June 15, 2021

SCHEDULE "A"

AWALÉ RESOURCES LTD.

STOCK OPTION PLAN - OPTION AGREEMENT

[The following legend is required if the Company is a Tier 2 Issuer or in respect of Options with an Option Price based on the Discounted Market Price: *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●, 20● [four months and one day after the date of grant].*]

This Option Agreement is entered into between Awalé Resources Ltd. (the "Company") and the Optionee named below pursuant to the Company's 2021 Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on ●, 20● (the "Grant Date");
2. ● (the "Optionee");
3. was granted the option (the "Option") to purchase ● Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$● per share; [For U.S. Participants, Option Price may not be less than Fair Market Value as of the Grant Date]
5. which shall be exercisable immediately commencing on the Grant Date [OR set forth applicable vesting schedule];
6. terminating on the ●, 20● (the "Expiry Date");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

The Optionee acknowledges that any Option Shares received by him upon exercise of the Option have not been registered under the United States *Securities Act of 1933*, as amended, or the Blue Sky laws of any state (collectively, the "Securities Acts"). The Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Acts, the Option Shares received by him or to assist him in complying with any exemption from such registration if he should at a later date wish to dispose of the Option Shares. [Following to be included in Option Agreements with "U.S. Persons" - The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

"The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company."]

To the extent that the Option is potentially subject to taxation under either Canada or the U.S. or both jurisdictions, the Optionee acknowledges that the Optionee has had adequate opportunity to obtain advice of independent tax counsel with respect to the tax treatment of the Option (including federal, state and provincial, as applicable). Furthermore, non-U.S. Optionees who are granted Options that are not subject to the restrictions applicable to U.S. Participants but who subsequently become subject to U.S. source income are strongly encouraged to seek advice of independent tax counsel to determine the applicability of U.S. tax law to such Options.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

Acknowledgement – Personal Information

The Optionee hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, 20●.

AWALÉ RESOURCES LTD.

Signature

Per: _____
Authorized Signatory

Print Name

Address