



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the annual general meeting of shareholders of Highland Copper Company Inc. (the “**Company**”) will be held on Wednesday, December 14, 2022, at 1111 St-Charles St. West, West Tower, Suite 101, Longueuil, QC J4K 5G4 at 11:00 a.m. (local time) (the “**Meeting**”) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the year ended June 30, 2022, together with the auditors’ report thereon;
2. to elect eight directors of the Company for the ensuing year;
3. to re-appoint KPMG LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration;
4. to consider and, if deemed appropriate, to pass an ordinary resolution approving and ratifying the Company’s 10% rolling stock option plan, as amended, as described in the accompanying Information Circular; and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

DATED this 15<sup>th</sup> day of November 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Barry O’Shea”*  
Chief Financial Officer

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### Your Vote is important

**The accompanying Information Circular (“Circular”) and form of proxy provides information with respect to the matters to be considered at the Meeting and voting instructions.**

**Registered shareholders who are not attending the Meeting are requested to complete, date, sign, and return the accompanying form of proxy in accordance with the instructions on the form.** If you receive more than one proxy form because you own shares registered in different names or addresses, each proxy form should be completed and returned. To be valid, all proxies must be deposited no later than 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the chair of the Meeting in his discretion, and the chair is under no obligation to accept or reject any particular late proxy.

If you are not a *registered shareholder* (as defined in the Circular) of the Company and receive these materials through your broker or another intermediary, please complete and sign the proxy or voting information form in accordance with the instructions provided to you by your broker or other intermediary.

The board of directors of the Company has fixed the close of business on **November 8, 2022** as the record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment thereof.



## MANAGEMENT INFORMATION CIRCULAR

(as at November 8, 2022, except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Highland Copper Company Inc. for use at the annual general meeting of the shareholders (the “**Meeting**”) to be held at 11:00 a.m. (local time) on Wednesday, December 14, 2022 at 1111 St-Charles St. West, West Tower, Suite 101, Longueuil, QC for the purposes set forth in the notice of meeting.

In this Information Circular, references to “**Highland**”, “**the Company**”, “**we**” and “**our**” refer to Highland Copper Company Inc. and “**Board**” or “**Board of Directors**” means the board of directors of the Company. “**Shares**” means common shares in the capital of the Company and “**Shareholders**” means persons who hold Shares. “**Registered Shareholders**” means Shareholders whose names appear in the records of the Company as registered holders of Shares and “**Non-registered Shareholders**” means shareholders whose names do not appear in the records of the Company and whose Shares are held in the name of an Intermediary, as described under the heading *Voting by Non-registered shareholders* below. “**TSXV**” refers to the TSX Venture Exchange. “**CEO**” means chief executive officer and “**CFO**” means chief financial officer.

Information contained in this information circular is given as at **November 8, 2022** unless otherwise indicated. All dollar figures are in Canadian dollars unless otherwise specified.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

Solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone or by email, primarily by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxyholders

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

#### Voting by Proxyholder

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

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as proxyholder will vote the Common Shares represented by the Proxy for the approval of such matter, and if applicable, for the nominees of management for directors and auditor as identified in the Proxy.**

#### Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2<sup>nd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9; or
- (b) use a touch-tone phone to transmit voting choices to the toll free number given in the proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy form

for the toll free number, the holder's account number and the proxy access number; or

- (c) via Computershare's internet website [www.investorvote.com](http://www.investorvote.com). Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In each of the above cases Registered Shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or the adjournment thereof.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

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 to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company does not intend to pay for an intermediary to deliver to OBOs, the proxy-related materials and Form 54-101F7 Request for Voting Instructions Made by Intermediary. As a result, an OBO will not receive the materials unless their intermediary assumes the cost of delivery.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

### ***If you are a Beneficial Shareholder:***

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF, then return the completed VIF to Broadridge either by mail, by facsimile, by phone, or via the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted, as per your instructions, at the Meeting; or (b) arrange to have an alternate representative duly appointed by you attend the Meeting and vote your Common Shares at the Meeting.**

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware

that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia) (the “BCA”), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Revocation of Proxies**

Any Registered Shareholder who has returned a form of 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 or its attorney authorized in writing may revoke a form of proxy by an instrument in writing, including a form of proxy bearing a later date. The instrument revoking the form of proxy must be deposited with Computershare within the time period and in the manner set out under the heading *Appointment of Proxies* above, or by mail or delivery at the attention of the Company’s corporate secretary at 1111 St-Charles St. West, East West Tower, Suite 101, Longueuil, QC J4K 5G4, at any time up to and including the last business day preceding the date of the Meeting or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting. A revocation of a form of proxy will not affect a matter on which a vote is taken before the revocation.

**Only Registered Shareholders have the right to revoke a form of proxy. A Non-registered Shareholder who wishes to change his or her vote must provide instructions in advance of the cut-off date specified by the Intermediary, so that the Intermediary can change the voting instructions on the Non-registered Shareholder’s behalf.**

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The voting securities of the Company consist of an unlimited number of Shares. As at the date of this information circular, 736,363,619 Shares were issued and outstanding, with each Share carrying the right to one vote at the Meeting. November 8, 2022 has been fixed by the Board of Directors as the record date for the purpose of determining those Shareholders entitled to receive notice of, and to vote at the Meeting. To the knowledge of the directors and senior officers of the Company, the only persons beneficially owning, directly or indirectly, or exercising control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company are as follows:

<b>Name</b>	<b>Common Shares</b>	<b>% of all Outstanding Shares</b>
Orion Mine Finance Management III LLC	203,980,434	27.7%
Condire Investors, LLC	119,092,360	16.2%
Greenstone Resources II LP	117,335,620	15.9%

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. With respect to the election of directors, there are eight director positions to be filled. If there are more nominees for election as directors than there are vacancies to fill, the eight nominees receiving the greatest number of votes will be elected. If the number of nominees for election is equal to the number of vacancies to be filled, all such nominees will be declared elected by acclamation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor, and the approval of the stock option plan, as set out herein.

### **PARTICULARS OF MATTERS TO BE ACTED ON AT THE MEETING**

#### **1. FINANCIAL STATEMENTS**

The annual consolidated financial statements of the Company for the financial year ended June 30, 2022 together with the report of the auditors thereon, and the related management discussion and analysis will be placed before the Shareholders at the Meeting. The annual consolidated financial statements of the Company were filed under the Company’s profile at [www.sedar.com](http://www.sedar.com) and mailed to Shareholders in accordance with applicable laws and written instructions received from Shareholders or Intermediaries. Additional copies may be

obtained from the secretary of the Company upon request and will be available at the Meeting. No action is required to be taken at the Meeting with respect to the financial statements.

## 2. ELECTION OF DIRECTORS

The Board of Directors is currently composed of eight directors. The term of office of each of the directors will expire at the Meeting or when their successors are duly elected or appointed. The Board of Directors has determined the number of directors will remain at eight and the following individuals will be nominated for election as directors at the Meeting: Denis Miville-Deschênes, Jonathan Cherry, Caroline Donally, Iain Farmer, Stephen J. Hicks, Melanie R. Miller, David B. Tennant, and Jo Mark Zurel.

Management does not contemplate that any of the nominees will be unable to serve as 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 form of proxy to vote the form of proxy for election of any other person or persons in place of any nominee or nominees unable to serve. Each director elected will hold office until the close of the next annual general meeting of Shareholders unless their office is earlier vacated in accordance with the articles of the Company or the provisions of the BCA.

The table below provides information about each nominee for election as director, all offices and positions with the Company and any of its significant affiliates each nominee now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this information circular.

The Board and management recommend voting FOR each of the eight nominees. **Unless authority to do so is withheld, the persons named in the form of proxy intend to vote FOR the election of the eight management nominees named in the table below.**

Name, Residence and Position with Company	Director since	Principal occupation and, if not a previously elected Director, occupation during the past five years	Shares beneficially owned or controlled <sup>(1)</sup>
<b>Jonathan Cherry</b> Minnesota, United States  <i>Director</i>	December 16, 2021	Mr. Cherry has served as the president and chief executive Officer PolyMet Mining Corp. (“ <b>PolyMet</b> ”) and as a member of PolyMet’s board of directors since July 2012. Mr. Cherry has been involved in the mining industry since 1990 and prior to joining PolyMet, Mr. Cherry’s career spanned more than 20 years with Rio Tinto where he worked in a number of positions, including general manager, where he was responsible for permitting and the initial development of the Eagle Mine in Michigan’s Upper Peninsula. His last position with Rio Tinto was Vice President, responsible for strategic direction in environmental permitting and compliance, legal matters and external relations related to mine development of the Resolution Copper project in Arizona. Mr. Cherry is a licensed Professional Engineer with a degree in Environmental Engineering from Montana Tech.	Nil <sup>(2)</sup>
<b>Caroline Donally</b> Texas, United States  <i>Director</i>	December 16, 2021	Caroline Donally has been Managing Director at Sprott Inc. and Managing Partner at Sprott Resource Streaming and Royalty since October 2020. Prior to joining Sprott, Ms. Donally spent nine years at Denham Capital and held the position of Managing Director. She was responsible for sourcing mining investment opportunities and managing all aspects of a \$1 billion mining investment portfolio across North and South America and Africa. Before Denham, she was a Project and Structured Finance banker with Rand Merchant Bank and Investec Limited (South Africa), where she was involved in multiple structured cross-border financings and investments in mining, predominantly across Africa between 2000 and 2010. Ms. Donally is a Chartered Accountant with a Bachelor of Commerce (Accounting) degree from the University of the Witwatersrand and a Bachelor of Accounting Science (Honours) from the University of South Africa.	Nil <sup>(3)</sup>

Name, Residence and Position with Company	Director since	Principal occupation and, if not a previously elected Director, occupation during the past five years	Shares beneficially owned or controlled <sup>(1)</sup>
<b>Iain Farmer</b> Quebec, Canada <i>Director</i>	December 16, 2021	Iain Farmer has been Vice President, Corporate Development of Osisko Gold Royalties Ltd (“Osisko”) since February 2020; from March 2016 to February 2020, he was Osisko’s Director of Evaluations where his responsibilities included financial and technical evaluation of investments as well as origination and execution of transactions. Prior to joining Osisko, Mr. Farmer worked in equity research covering the mining sector. Mr. Farmer holds a Bachelor’s and a Master’s degree in Mining Engineering from McGill University as well as an MBA from Concordia University’s Goodman School of Investment Management, and he has been a CFA Charterholder since 2016.	Nil <sup>(2)</sup>
<b>Stephen J. Hicks</b> Michigan, United States <i>Director</i>	December 16, 2021	Mr. Hicks has served as President and Chief Executive Officer of JM Longyear, LLC, a privately held Michigan-based asset management company, since 2000. He has extensive expertise in development and execution of long-term business strategies and operations and has been involved in mining and resource projects in the State of Michigan and Minnesota. He has served on the board of several profit and non-profit organizations in Michigan. Mr. Hicks has obtained a BS Accounting from the Michigan Technological University, and he has successfully completed the Illinois CPA Exam in 1989 and the University of Michigan Business School Executive Program in 1999.	Nil <sup>(2)</sup>
<b>Melanie R. Miller</b> Colorado, United States <i>Director</i>	December 16, 2021	Ms. Miller is an executive with over 20 years of experience in the mining industry focusing on supply chain innovation, strategic planning and analysis, and organizational management. She served as General Manager, Hemlo Operations at Barrick Gold Corporation (“Barrick”) from 2017 to 2018, Vice President, Supply Chain Management at Barrick from 2014 to 2018, and Vice President, Global Supply Chain at Newmont Corporation from 2011 to 2014. Ms. Miller is currently the chief sustainability officer for Seabridge Gold and provides consulting services through her private company. Ms. Miller has two undergraduate degrees (finance and political science) from Miami University of Ohio as well as graduate-level studies at the University of Chicago and Harvard.	Nil <sup>(3)</sup>
<b>Denis Miville-Deschênes</b> Quebec, Canada <i>President, CEO and Director</i>	February 2017	Mr. Miville-Deschênes has been President and CEO of the Company since February 2017. Prior to that, he served as Senior Vice President at IAMGOLD, responsible for project development and construction from 2006 to 2014. He is a mining engineer with over 30 years of experience in the design, development and construction of mines. Mr. Miville-Deschênes has a bachelor’s degree in mining engineering from Laval University in Quebec.	5,837,170 <sup>(4)</sup>
<b>David B. Tennant</b> Ontario, Canada <i>Director</i>	December 16, 2021	Mr. Tennant practices corporate law, advising clients on acquisitions and divestitures, securities laws and general corporate and commercial matters. From 1990 to 2019, Mr. Tennant was a partner at McCarthy Tétrault LLP, one of Canada’s largest law firms and has been a board member of many corporations and charitable organizations. Mr. Tennant holds a B. Mathematics from the University of Waterloo and a joint Law degree and MBA from the University of Western Ontario.	345,000 <sup>(5)</sup>

Name, Residence and Position with Company	Director since	Principal occupation and, if not a previously elected Director, occupation during the past five years	Shares beneficially owned or controlled <sup>(1)</sup>
<b>Jo Mark Zurel</b> Newfoundland and Labrador, Canada <i>Director and Chairman of the Board</i>	October 2012	Mr. Zurel is corporate director and investor. He serves on the boards of Fortis Inc., Major Drilling Group International Group Inc., Sustainable Development Technology Canada, and the Institute of Corporate Directors. He recently completed a 9-year term on the board of the Canada Pension Plan Investment Board. From 1998 to 2006, Mr. Zurel was Senior Vice-President and Chief Financial Officer of CHC Helicopter Corporation. Mr. Zurel has a Bachelor of Commerce from Dalhousie University, is a Fellow of the Association of the Chartered Professional Accountants of Newfoundland and Labrador and has been granted the ICD.D designation by the Institute of Corporate Directors.	2,166,650 <sup>(6)</sup>

- (1) Information as to voting shares beneficially owned, not being within the knowledge of the Company, has been verified by the respective nominees individually.
- (2) Messrs. Cherry, Farmer and Hicks hold options to purchase 500,000 Common Shares at an exercise price of \$0.11, expiring on December 16, 2026 and options to purchase 1,200,000 Common Shares at an exercise price of \$0.095, expiring on July 25, 2029.
- (3) Ms. Donally and Ms. Miller hold options to purchase 500,000 Common Shares at an exercise price of \$0.11, expiring on December 16, 2026 and options to purchase 1,200,000 Common Shares at an exercise price of \$0.095, expiring on July 25, 2029.
- (4) Mr. Miville-Deschênes also holds options to purchase 4,000,000 Common Shares at an exercise price of \$0.15, expiring on February 24, 2027; options to purchase 2,800,000 Common Shares at a price of \$0.095, expiring on July 25, 2029; and warrants to purchase 767,585 Common Shares at a price of \$0.18, expiring on August 27, 2023.
- (5) Mr. Tennant also holds options to purchase 500,000 Common Shares at an exercise price of \$0.11, expiring on December 16, 2026 and options to purchase 1,200,000 Common Shares at an exercise price of \$0.095, expiring on July 25, 2029.
- (6) Mr. Zurel also holds options to purchase 500,000 Common Shares at an exercise price of \$0.11, expiring on December 16, 2026; options to purchase 1,500,000 Common Shares at an exercise price of \$0.095, expiring on July 25, 2029; and warrants to purchase 500,000 Common Shares at a price of \$0.18, expiring on August 27, 2023.

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

- (a) is, as at the date of this information circular, or has been, within 10 years before the date of this information circular, a director, CEO or chief financial officer of any company (including the Company) that,
- (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (ii) after that person had ceased to act in that capacity, but in respect of an event that occurred while the proposed director was so acting, resulted in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) 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
- (b) has, within the 10 years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

#### *Additional Information about the Board*

For additional information about the Board, including compensation, corporate governance practices, independence and directorships, please see *Director and Named Executive Compensation* and *Corporate Governance Practices – Composition of the Board of Directors*.

### **3. APPOINTMENT OF AUDITORS**

KPMG LLP have been the auditors of the Company since October 11, 2012. The Board of Directors recommends that KPMG LLP be re-appointed as auditors of the Company, with their remuneration to be fixed by the Board.

**Unless otherwise directed, the directors or officers named in the form of proxy intend to vote FOR the re-appointment of KPMG LLP as auditors for the year ending June 30, 2023.**

#### 4. APPROVAL OF 10% ROLLING STOCK OPTION PLAN

The Company's stock option plan is a 10% "rolling" plan (the "**Option Plan**"). The purpose of the Option Plan is to attract and retain directors, officers, employees, and consultants and to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Shares.

The Option Plan is subject to the requirements of TSX Venture Exchange Policy 4.4 ("**TSX Venture Policies**") and was most recently approved by Shareholders at the annual general meeting held on December 16, 2021. On November 15, 2022, the Board made revisions to the Option Plan to reflect recent amendments to TSX Venture Policies.

The material terms of the Option Plan are set forth below. Capitalized terms used but not otherwise defined below shall have the meanings ascribed to such terms in the Option Plan.

**Service Provider** – Service Providers are eligible for awards of Options under the Option Plan. "**Service Provider**" means a person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers.

**Maximum Plan Shares** – The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan, together with all other Security Based Compensation Plans, at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans.

**Limitations on Issue** - The following restrictions on issuances of Options are applicable under the Option Plan, together with all other Share Compensation Arrangements:

- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained "**Disinterested Shareholder Approval**" (as defined in the Option Plan to mean approval evidenced by a majority of the votes cast by all the Shareholders at a duly constituted Shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders of the Company who are Service Providers or their Associates);
- (b) the aggregate number of Options, together with any other Share Compensation Arrangement, granted to all Investor Relations Service Providers in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or NEX, as the case may be);
- (c) the aggregate number of Options granted, together with any other Share Compensation Arrangements, granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSXV (or the NEX, as the case may be);
- (d) for so long as such limitation is required by the TSX Venture, the maximum number of Options which may be granted within any twelve (12) months period to Service Providers who perform investor relations activities must not exceed 2% of the issued and outstanding Common Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three month period. In addition, the maximum number of Common Shares that may be granted to any one Consultant under this Plan, together with any other Share Compensation Arrangements, within a twelve (12) month period, may not exceed 2% of the issued Common Shares calculated on the date of grant.

Investor Relations Service Providers cannot receive any security-based compensation other than Options.

**Maximum Percentage to Insiders** – Subject to Disinterested Shareholder Approval, the aggregate number of Common Shares reserved for issuance to Insiders of the Company under the Option Plan, together with any other Share Compensation Arrangements, cannot exceed 10% of the Outstanding Shares.

**Maximum Percentage to Insiders within any 12-month period** - Subject to Disinterested Shareholder Approval, the number of Common Shares issued to Insiders of the Company within any 12-month period under the Option Plan, together with any other Share Compensation Arrangements, cannot exceed 10% of the Outstanding Shares.

**Exercise Price** – The exercise price of an Option will be set by the Board at the time such Option is allocated under the Option Plan, and cannot be less than the Market Price (as defined in TSX Venture Exchange Policy 1.1).

**Vesting of Options** - Vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or



- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

Vesting of Options Granted to Investor Relations Service Providers - Options granted to Investor Relations Service Providers will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

Term of Option – The term of an Option will be set by the Board at the time such Option is allocated under the Option Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

Optionee Ceasing to be a Director, Employee or Service Provider – Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him/her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider (excluding Service Providers conducting Investor Relations Activities) will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested on the date the Optionee ceased to be so employed by or to provide services to the Company;
- (c) an Option granted to any Investor Relations Service Provider will expire 30 days after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (d) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

Non-Assignability of Options – Except in the case of death of an Optionee, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

Amendment of the Option Plan by the Board of Directors - Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion amend, or modify the Option Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) amendments of a housekeeping nature;
- (c) it may make amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSXV; and
- (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market.

Amendments Requiring Disinterested Shareholder Approval - The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Option Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
  - (i) the aggregate number of Common Shares reserved for issuance to Insiders exceeding 10% of the Outstanding Shares;
  - (ii) the aggregate number of Common Shares reserved for issuance to Insiders within a 12-month period exceeding 10% of the Outstanding Shares; or
  - (iii) the aggregate number of Common Shares reserved for issuance to any one Optionee within a 12-month period exceeding 5% of the Outstanding Shares; or

- (b) any reduction in the exercise price of an Option, or extension to the expiry date of an Option held by an Insider at the time of the proposed amendment.

**Take Over Bid** - If a Take Over Bid is made to the Shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding other applicable vesting requirements or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSXV (or the NEX, as the case may be) for vesting requirements imposed by the TSXV Policies.

**Acceleration of Vesting on Change of Control.** In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities. A change of control is defined as an event the result of which (i) a person holds sufficient voting shares of the Company to affect materially the control of the Company, or (ii) any combination of persons, acting jointly or in concert, holds sufficient voting shares of the Company to affect materially control of the Company, and in the absence of evidence to the contrary, the holding of 20% or more of the voting shares of the Company will be deemed to materially affect control of the Company. The vesting of Options granted to an Investor Relations Service Provider will only occur with the prior written acceptance of the TSXV.

**Black-out Period** - The Option Plan also contains provision for a “Black-out Period”. Should the expiry date for an Option fall within a Black-out Period, such expiry date shall, subject to approval of the TSXV (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Black-out Period, such tenth (10th) Business Day to be considered the expiry date for such Option for all purposes under the Option Plan. The tenth (10th) Business Day period referred to herein may not be extended by the Board. “**Black-out Period**” is defined in the Option Plan to mean an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company’s insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject).

**Cashless Exercise** – The Option Plan also contains a “cashless exercise” or “net exercise” basis. “Cashless exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. The current market price must be the 5-day volume weighted average trading price prior to option exercise. “Net exercise” may not be utilized by persons performing investor relations services.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to approve an ordinary resolution ratifying and approving the Option Plan, as amended, (the “**Option Plan Resolution**”). The Option Plan, as amended, is attached to this Information Circular as Schedule “B”. The full text of the Option Plan Resolution is set out below. In order to be passed, the resolution requires the approval of the majority of votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting. The directors of the Company unanimously recommend that the Shareholders vote in favour of the Option plan Resolution.

“**RESOLVED** as an ordinary resolution that the Company’s Option Plan, as amended, in the form attached as Schedule “A” to the Information Circular of the Company dated November 15, 2022, be and is hereby approved.”

**In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution.**

## 5. OTHER MATTERS TO BE ACTED ON

Management knows of no amendment, variation or other matter to come before the Meeting. However, if any other matter properly comes before the Meeting, the form of proxy and VIF furnished by the Company confer discretion on the persons authorized in the form of proxy or VIF to vote on the matter as they see fit.

### DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

In this section “**named executive officer**” or “**NEO**” means each CEO, each CFO, and the most highly-compensated executive officers, other than each CEO and CFO, who was serving as executive officers at June 30, 2022 and whose total salary and bonus exceeded \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as a NEO of the Company at June 30, 2022.

During the financial year ended June 30, 2022, the NEOs of the Company were Barry O’Shea (CFO), Denis Miville-Deschênes (President, CEO and a director), Alain Krushnisky (former CFO) and David A. Fennell (former Executive Chair). The directors, who were not a

NEO during the financial year ended June 30, 2022, were Jonathan Cherry, Caroline Donally, Iain Farmer, Stephen Hicks, Melanie Miller, David Tennant and Jo Mark Zurel (Chair).

### Director and Named Executive Officer compensation, Excluding Compensation Securities

The following table of executive compensation, excluding options and compensation securities, discloses compensation paid by the Company to NEOs and directors for each of the two most recently completed financial years. Stock Options and other compensation securities granted or issued to NEOs and directors during the most recently completed financial year are set out under the heading “Stock Options and Other Compensation Securities” below.

Table of Compensation excluding Compensation Securities							
Name and Position	Financial Year ended June 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Barry O'Shea <sup>(1)</sup> CFO	2022	106,250	67,560	Nil	Nil	Nil	173,810
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Denis Miville-Deschênes <sup>(2)</sup> President, CEO and Director	2022	304,1677	310,000	Nil	Nil	Nil	614,167
	2021	250,000	Nil	Nil	Nil	Nil	250,000
Jonathan Cherry <sup>(3)</sup> Director	2022	21,667	Nil	2,708	Nil	Nil	24,375
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Caroline Donally <sup>(4)</sup> Director	2022	21,667	Nil	4,063	Nil	Nil	25,729
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Iain Farmer <sup>(3)</sup> Director	2022	21,667	Nil	Nil	Nil	Nil	21,667
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Stephen Hicks <sup>(3)</sup> Director	2022	21,667	Nil	Nil	Nil	Nil	21,667
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Melanie Miller <sup>(4)</sup> Director	2022	21,667	Nil	Nil	Nil	Nil	21,667
	2021	Nil	Nil	Nil	Nil	Nil	Nil
David Tennant <sup>(3)</sup> Director	2022	21,667	Nil	4,063	Nil	Nil	25,729
	2021	Nil	Nil	Nil	Nil	Nil	Nil
Jo Mark Zurel <sup>(5)</sup> Director and Chairman of the Board	2022	40,000	Nil	10,000	Nil	Nil	50,000
	2021	15,000	Nil	Nil	Nil	Nil	15,000
Jean Desrosiers <sup>(6)</sup> Former Director	2022	8,125	Nil	Nil	Nil	Nil	8,125
	2021	15,000	Nil	Nil	Nil	Nil	15,000
David A. Fennell <sup>(7)</sup> Former Executive Chairman	2022	267,985 <sup>(8)</sup>	Nil	Nil	Nil	356,790 <sup>(8)(9)</sup>	624,775 <sup>(8)</sup>
	2021	256,400 <sup>(8)</sup>	Nil	Nil	18,000 <sup>(9)</sup>	Nil	256,400
John L. Johnson <sup>(10)</sup> Former Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	10,000	Nil	Nil	Nil	Nil	10,000
Alain Krushnisky <sup>(11)</sup> Former CFO	2022	63,750	50,000	Nil	(8)	150,000 <sup>(9)</sup>	263,750
	2021	90,000	Nil	Nil		Nil	90,000

Notes:

- (1) Mr. O'Shea has been the Company's CFO since February 14, 2022.
- (2) Mr. Miville-Deschênes has been the Company's President, CEO and a director since February 22, 2017.
- (3) Messrs. Cherry, Farmer, Hicks and Tennant became directors of the Company on December 16, 2021.
- (4) Ms. Donally and Ms. Miller became directors of the Company on December 16, 2021.
- (5) Mr. Zurel has been a director of the Company since October 11, 2012 and Chairman of the Board since December 16, 2021.
- (6) Mr. Desrosiers was a director from October 26, 2017 to December 16, 2021.
- (7) Mr. Fennell was the Company's Executive Chairman from October 11, 2012 to August 31, 2021 and a director from October 11, 2012 to December 16, 2021.
- (8) These amounts represent the equivalent in Canadian dollars calculated on a monthly basis, based on the Bank of Canada monthly exchange rate. The average of the monthly exchange rates used is C\$1.2651: US\$1.00 in 2022 and C\$1.28: US\$1.00 in 2021.
- (9) Represents severance paid during fiscal 2022.
- (10) Represents a living allowance.
- (11) Mr. Johnson was a director of the Company from October 11, 2016 to December 16, 2021.
- (12) Mr. Krushnisky was CFO from June 7, 2012 to February 14, 2022.

## Stock Options and Other Compensation Securities

The Company's Option Plan is described above under *Approval of 10% Rolling Stock Option Plan - Material Terms of the Option Plan*.

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's Option Plan that were granted to NEOs and directors of the Company who were not NEOs during the financial year ended June 30, 2022.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant M/D/Y	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 M/D/Y
<b>Denis Miville-Deschênes</b> President, CEO & Director	Options	4,000,000 0.54%	02/24/2022	0.15	0.15	0.105	02/24/2027
<b>Barry O'Shea</b> CFO	Options	2,500,000 0.34%	02/24/2022	0.15	0.15	0.105	02/24/2027
<b>Jon Cherry</b> Director	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>Caroline Donally</b> Director	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>Iain Farmer</b> Director	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>Stephen Hicks</b> Directors	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>Melanie Miller</b> Director	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>David Tennant</b> Director	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026
<b>Jo Mark Zurel</b> Director and Chairman	Options	500,000 0.07%	12/16/2021	0.11	0.105	0.105	12/16/2026

## Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by NEOs or directors of the Company during the year ended June 30, 2022.

## Employment, Consulting and Management Agreements

Denis Miville-Deschênes, the Company's President and CEO, provides his services to the Company under an employment agreement the terms of which were approved by the Board upon recommendation of the Governance and Human Resources Committee. Mr. Miville-Deschênes' annual base salary was increased to \$350,000 during the fiscal year ended 2022. He is entitled to receive a performance bonus equal to up to 100% of his base salary based on the achievement of corporate and individual objectives, which may be determined by the Board, in its sole discretion. Should the employment of Mr. Miville-Deschênes be terminated without cause or as a result of a change of control, he would be entitled to receive a lump sum payment of \$500,000.

Barry O'Shea, the Company's CFO, provides his services to the Company under an employment agreement the terms of which were approved by the Board upon recommendation of the Governance and Human Resources Committee. Mr. O'Shea's annual base salary is \$300,000. He is entitled to receive a performance bonus of up to 60% of his annual base salary, subject to an up to two times multiplier, based on the achievement of corporate and individual objectives, which may be determined by the Board, in its sole discretion. Should the employment of Mr. O'Shea be terminated without cause, Mr. O'Shea would be entitled to receive a lump sum payment equal to his annual base salary, plus the greater of bonus actually paid during the prior year, and the maximum bonus to which he would be entitled.

In the event of termination following a change of control, Mr. O’Shea would be entitled to a lump sum payment equal to two times his annual base salary plus the greater of bonus actually paid during the prior year, and the maximum bonus to which he would be entitled.

## **Oversight and Description of Director and NEO Compensation**

As set out under the *Corporate Governance Practices* section below, the Company has a Governance and Human Resources Committee which, among other matters, is responsible for assisting and making recommendations to the Board with respect to executive compensation and overall compensation strategy for the NEOs in line with the responsibilities and risks of public companies. The Governance and Human Resources Committee is composed of four directors, Jonathan Cherry, Caroline Donally, Melanie Miller and David Tennant (chair), all of whom are independent, as defined in applicable securities laws (see *Corporate Governance Practices – Composition of the Board of Directors* below). The Governance and Human Resources Committee retained the Bedford Consulting Group Inc. to conduct a review of compensation as it relates to the CEO, CFO and Directors.

### *Compensation Objectives and Elements of NEOs Compensation*

The Company’s approach is to compensate its NEOs appropriately and to provide long-term incentive compensation in line with the interest of the Company’s shareholders and the best interests of the Company taking into account a variety of considerations, including the Company’s performance and its financial circumstances, the executive’s scope of responsibilities, competencies and contribution to the Company’s performance, risks associated with the Company’s compensation policies and practices, and any other relevant factors. With the assistance of Bedford, the Company has developed a benchmark group consisting of Adventus Mining, Ascot Resources, Bear Creek Mining, Bluestone Resources, Excelsior Mining, First Mining, Integra Resources, Perbetua Resources, Rio2 Limited and Troilus Gold, which it will apply for its 2023 compensation strategy.

Executive compensation may be comprised of three elements: salary or fees, bonuses, and stock options or other compensation securities. Salaries, fees and bonuses are intended to provide base compensation and a short-term incentive to meet the Company’s goals, as well as to remain competitive within the industry. The Board, on recommendation of the Governance and Human Resources Committee, has discretion to grant bonuses to executive officers from time to time, subject to the employment agreement with each executive officer. In determining bonuses for the 2022 financial year, the Governance and Human Resources Committee considered the following:

- Mr. Miville-Deschênes was paid a bonus of \$210,000, equal to 60% of his 2022 base salary, for the 2022 financial year. Mr. Miville-Deschênes was also paid a one-time \$100,000 bonus during the 2022 financial year in connection with the successful restructuring and refinancing of the Company in the summer of 2021.
- Mr. O’Shea was paid a bonus of \$67,560, which was the equivalent of 60% of his pro-rated annual base salary.

Given the Company’s current size and stage of development, the only form of long term incentive plan that the Company has adopted is its stock option plan. Stock options form an important part of the Company’s long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the Company’s shares over a stated period of time. Option grants are intended to reinforce the recipients’ commitment to the long-term development and success of the Company, and to reward overall corporate performance, as measured through the price of the Company’s shares. The Company considers the grant of stock options to its executive officers to be a method of compensation that helps to attract and retain qualified personnel. In determining the size and vesting conditions of option grants to executive officers, the Governance and Human Resources Committee considers several factors, including prior grants, the expected contributions of the executive officers to the Company’s future success, the number of Shares issued and outstanding as well as the trading price of the Shares. Generally, stock options granted by the Company will vest over two years: one third on the grant date and one third on the first and second anniversary of the grant date. The Company’s senior management usually presents recommendations to the Governance and Human Resources Committee on the grant of options.

### *Director compensation*

Non-executive director compensation is set by the full Board. Until December 16, 2021 director compensation consisted of fees of \$2,500 plus an additional \$1,250 per quarter for directors who chair committees of the Board. Subsequent to the last annual meeting, in order to fairly compensate directors for their time commitment to the Company and as a result of the incoming Board’s review of executive and director compensation generally, Directors are paid an annual fee of \$10,000 and committee Chairs are paid additional fees ranging between \$7,500 and \$5,000. The Company believes that the compensation paid to directors remains below that of its peer group, but is commensurate with the current financial resources and commitments of the Company.

## **EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth details of all equity compensation plans of the Company as at June 30, 2022. The only equity compensation plan that the Company has adopted, is the Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans <sup>(1)</sup>
Equity compensation plans approved by securityholders	17,525,000	\$0.12	56,111,362
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>17,525,000</b>	<b>\$0.12</b>	<b>56,111,362</b>

(1) The maximum number of Shares issuable under the Option Plan is limited to 10% of the total number of Shares outstanding from time to time. The figures in this column are based upon 736,363,619 Shares issued and outstanding at June 30, 2022.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this information circular, no current or former director, executive officer or employee of the Company or any of its subsidiaries is indebted to the Company or any of its subsidiaries in relation to a purchase of securities or otherwise, or to another entity where the indebtedness 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.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the financial year ended June 30, 2022, or has any interest in any material transaction during fiscal 2022 other than as disclosed in Note 16 - Related Party Transactions in the annual financial statements for the financial year ended June 30, 2022.

## MANAGEMENT CONTRACTS

No management functions of the Company or any of its subsidiaries are to any substantial degree performed other than by the directors or executive officers of the Company or its subsidiary.

## CORPORATE GOVERNANCE PRACTICES

Canadian securities regulatory policy as reflected in National Instrument 58-101 - Disclosure of Corporate Governance Practices (“**NI 58-101**”) requires that TSXV-listed companies must disclose on an annual basis their approach to corporate governance. National Policy 58-201 - Corporate Governance Guidelines (“**NP 58-201**”) provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. The Company’s approach to corporate governance in the context of NI 58-101 and NP 58-201 (together the “**Policies**”) as well as its compliance with the mandatory rules relating to audit committees is set out below.

### Composition of the Board of Directors

The Policies require that the board of directors of a listed issuer determine and disclose the status of each director as independent or not, based on each director’s interest in or other relationship with the issuer. Under the Policies, the applicable definition of independence is that contained in National Instrument 52-110 – Audit Committees (“**NI 51-110**”), under which a director is “independent” where he or she “has no direct or indirect material relationship” with the issuer. A “material relationship” is a relationship which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgement.

The Board is currently composed of eight directors of whom six are considered “independent” directors. These are Jonathan Cherry, Caroline Donally, Stephen Hicks, Melanie Miller, David Tennant and Jo Mark Zurel. The non-independent directors are Denis Miville-Deschênes (President and CEO) and Iain Farmer due to the material relationship between the Company and Osisko Gold Royalties Ltd., of which Mr. Farmer is Vice-President of Corporate Development. The independent directors met regularly during fiscal 2022 without the presence of the non-independent Directors and management and can otherwise communicate as they deem necessary.

The following table sets forth the current directors and director nominees who are presently a director of any other issuer that is a reporting issuer (or the equivalent) in a Canadian or a foreign jurisdiction.

Directors	Other Reporting Issuers	Exchange
Jonathan Cherry	PolyMet Mining Corp.	TSX/AMEX
Caroline Donally	Turquoise Hill Resources Lt.	TSX/NYSE
Melanie R. Miller	Seabridge Gold Inc.	TSX/NYSE

Directors	Other Reporting Issuers	Exchange
Jo Mark Zurel	Major Drilling Group International Inc. Fortis Inc. Newfoundland Power Inc.	TSX TSX/NYSE N/A

### Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new directors will be provided with information designed to familiarize them with the Company's projects, strategic plans, significant financial, accounting and risk management issues, its compliance programs, its principal officers, independent auditors and outside legal advisors.

Members of the Board 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 and visit the Company's operations, when they are able. Members of the Board have full access to the Company's records.

### Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics and a whistleblower policy for its directors, officers, employees, and contractors (the "Code"), which can be viewed on the Company's website at [www.highlandcopper.com](http://www.highlandcopper.com) and on SEDAR at [www.sedar.com](http://www.sedar.com). The Board is responsible for monitoring compliance with the Code. There are also potential conflicts of interest to which some of the directors and officers will be subject with respect to the operations of the Company. Certain of the directors and/or officers have significant shareholdings in other companies and serve as directors and/or officers of other reporting and non-reporting issuers. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest, including the procedures prescribed by the BCA and the Company's Code.

### Nomination of Directors

The Board has not established a nominating committee. In circumstances where the Company needs to nominate new directors, current directors will present candidates to the Board for consideration and potential nomination as a director.

### Governance and Human Resources Committee

The Governance and Human Resource Committee's mandate is to assist and make recommendations to the Board with respect to executive compensation and overall compensation strategy for the officers. The Governance and Human Resources Committee is responsible for reviewing and recommending senior executive officers' corporate goals and objectives, assessing their performance against those goals and objectives, and based on that, making recommendations for executive's compensation taking into consideration what is being paid by companies of similar size and stage of development, as well as the Company's financial resources and performance. The Governance and Human Resources Committee is also responsible to oversee corporate governance matters, succession planning and for administering and interpreting the Option Plan and reviewing directors' compensation. New members will be appointed following the Meeting based on the skills and experience of the directors elected.

### Safety, Environment and Social Responsibility Committee

Safety, Environment and Social Responsibility Committee is currently comprised of: Jonathan Cherry (chair), Iain Farmer, Stephen Hicks and Melanie Miller. The committee members were appointed by the Board to assist in fulfilling its responsibilities related to environment, health and safety matters concerning the Company and its wholly-owned subsidiary Keweenaw Copper Co.

### Other Board Committees

There are no other committees other than the Audit Committee, Governance and Human Resources Committee and Environmental, Health and Safety Committee.

### Record of Attendance

During the financial year ended June 30, 2022, there were seven meetings of the Board of Directors, and all members were present in person, by telephone or by videoconference at each meeting. The audit committee held four meetings during the same period and all members were in attendance.

## Assessments

The Governance and Human Resources Committee is responsible for developing and instituting a plan to measure the effectiveness of the Board as a whole, the committees of the Board, and individual Board members.

## AUDIT COMMITTEE

NI 52-110 requires the Company as a 'venture issuer' to disclose annually in its information circular the following information concerning the audit committee and its relationship with its independent auditors.

### Audit Committee Charter

The audit committee is governed by its charter, which is attached to this information circular as Schedule A.

### Composition of the Audit Committee

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of an issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment, or is one of the relationships that is deemed material, as set out above under *Composition of the Board of Directors*. A member of the audit committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The current members of the audit committee are Caroline Donally (chair), Iain Farmer and Stephen Hicks. All members of the audit committee are financially literate and independent.

### Relevant Education and Experience

*Caroline Donally* has been managing director at Sprott Inc. and managing partner at Sprott Resource Streaming and Royalty since October 2020. Prior to joining Sprott, Ms. Donally spent nine years at Denham Capital and held the position of managing director. She was responsible for sourcing mining investment opportunities and managing all aspects of a \$1 billion mining investment portfolio across North and South America and Africa. Before Denham, she was a project and structured finance banker with Rand Merchant Bank and Investec Limited (South Africa), where she was involved in multiple structured cross-border financings and investments in mining, predominantly across Africa between 2000 and 2010. Ms. Donally is a chartered accountant with a bachelor of commerce (Accounting) degree from the University of the Witwaters and and a bachelor of accounting science (Honours) from the University of South Africa.

*Iain Farmer* has been vice president, corporate development of Osisko Gold Royalties Ltd since February 2020; from March 2016 to February 2020, he was Osisko's director of evaluations where his responsibilities included financial and technical evaluation of investments as well as origination and execution of transactions. Prior to joining Osisko, Mr. Farmer worked in equity research covering the mining sector. Mr. Farmer holds a bachelor's and a master's degree in mining engineering from McGill University as well as an MBA from Concordia University's Goodman School of Investment Management, and he has been a CFA Charterholder since 2016.

*Stephen J. Hicks* has served as president and chief executive officer of JM Longyear, LLC, a privately held Michigan-based asset management company, since 2000. He has extensive expertise in development and execution of long-term business strategies and operations and has been involved in mining and resource projects in the states of Michigan and Minnesota. He has served on the board of several profit and non-profit organizations in Michigan. Mr. Hicks has obtained a BS Accounting from the Michigan Technological University, and he has successfully completed the Illinois CPA Exam in 1989 and the University of Michigan Business School's executive program in 1999.

### Audit Committee Oversight

Since the commencement of the most recently completed financial year, the audit committee has not made any recommendation to the Board of Directors to nominate or compensate any external auditor that has not been adopted by the Board.

### Reliance on Certain Exemptions

At no time since the commencement of the most recently completed financial year has the Company relied on an exemption under section 2.4 of NI 52-110 (*De Minimis* Non-audit Services) or from the application of NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

### Pre-Approval Policies and Procedures

The audit committee charter requires the Committee to pre-approve all audit and non-audit services not prohibited by law to be provided by the independent auditors.



## External Auditor Service Fees (by category)

The aggregate fees billed by the Company's external auditors in each of the last two financial years are as follows:

Financial Year Ending June 30	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2022	\$61,525	-	\$25,680	-
2021	\$42,500	\$10,000	\$33,900	-

- (1) Audit fees are fees billed by the Company's external auditor for services provided in auditing the annual financial statements.
- (2) Audit-related fees are fees billed for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements.
- (3) Tax fees are fees billed by the external auditor for tax compliance, tax advice and planning.
- (4) All other fees are fees billed by the external auditor for products and services not included in the categories described above.

## Venture Issuers Exemption

The Company is relying on the exemptions in section 6.1 of NI 52-110, which provide that the Company, as a venture issuer, is not required to comply with Part 5 (reporting obligations).

## APPROVAL OF DIRECTORS

This information circular has been approved by the Board of Directors of the Company.

## ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's audited consolidated financial statements, the report of the auditor, and management's discussion and analysis for the year ended June 30, 2022 (the "**Financial Statements**"). Shareholders may obtain copies of the Financial Statements upon request to the Company's corporate secretary at 1111 St-Charles St. West, East Tower, Suite 1155, Longueuil, QC J4K 5G4, telephone number 450.677.2455 or by email at [info@highlandcopper.com](mailto:info@highlandcopper.com) or on the Company's website at [www.highlandcopper.com](http://www.highlandcopper.com).

## BY ORDER OF THE BOARD

*“Denis Miville-Deschênes”*  
President and CEO

## SCHEDULE "A"

### HIGHLAND COPPER COMPANY INC.

#### Charter of the Audit Committee

This charter shall govern the activities of the audit committee (the "Committee") of the board of directors (the "Board") of Highland Copper Company Inc. (the "Corporation").

#### Mandate

The purpose of the Committee is to provide assistance to the Board in fulfilling its stewardship responsibility for the Corporation with respect to the quality and the integrity of the Corporation's financial reporting practices, the qualifications and independence of the independent auditors of the Corporation (the "Independent Auditors") and the audit process. In so doing, it is the responsibility of the Committee to facilitate and promote free and open communication between the directors of the Corporation, the Independent Auditors and the financial management of the Corporation.

The function of the Committee is one of oversight. Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Corporation. The Independent Auditors are responsible for auditing the Corporation's annual financial statements.

#### Composition

1. The Committee must be composed of a minimum of three directors of the Corporation, the majority of whom are independent (as defined by applicable laws, regulations, rules and policies).
2. Each member of the Committee shall be financially literate and at least one member shall have expertise in financial reporting.
3. The members of the Committee will be appointed by the Board annually at the first meeting of the Board following the annual meeting of the shareholders to serve until the next annual meeting of shareholders or until their successors are duly appointed.
4. The Board shall designate one member to act as chair of the Committee (the "Chair") or, if it fails to do so, the members of the Committee shall appoint the Chair among its members.

#### Meetings

5. The Committee shall meet at least quarterly, with the authority to convene additional meetings as circumstances require. A majority of the members of the Committee shall constitute a quorum.
6. The Committee shall, when appropriate, hold in camera sessions without management present.
7. The Committee shall keep minutes of its meetings which shall be available for review by the Board. The Committee may appoint any person who need not be a member, to act as the secretary at any meeting. The Committee may invite such officers, directors and employees of the Corporation and such other advisors and persons as it may see fit, from time to time, to attend at meetings of the Committee.
8. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier if the Committee deems necessary.

#### Responsibilities

##### *Financial Accounting, Internal Controls and Reporting Process*

9. The Committee is responsible for:
  - (a) oversight of internal controls over financial reporting of the Corporation;
  - (b) reviewing and reporting to the Board on the quarterly and annual financial statements and management's discussion and analysis ("MD&A");

- (c) satisfying itself that the audit function has been effectively carried out;
- (d) discussing and meeting with, when it deems appropriate to do so and no less frequently than annually, the Independent Auditors, the Chief Financial Officer (“CFO”) and any other member of management it wishes to, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee deems appropriate;
- (e) reviewing any post-audit or management letter containing the recommendations of the Independent Auditors and management’s response and subsequent follow-up to any identified weaknesses; and
- (f) reviewing accounting and financial human resources succession planning within the Corporation.

### ***Public Disclosure***

10. The Committee shall:

- (a) review the annual and interim financial statements and related MD&A, news releases that contain significant financial information that has not previously been released to the public, and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws and satisfy itself that the documents do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made before the Corporation publicly discloses this information; and
- (b) satisfy itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements and periodically assess the adequacy of these procedures.

### ***Risk Management***

11. The Committee shall inquire of management and the Independent Auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks. In conjunction with the Governance and Human Resources Committee of the Board, annually review the directors’ and officers’ third-party liability insurance of the Corporation.

### ***Independent Auditors***

- 12. The Committee shall be responsible for recommending to the Board, for appointment by shareholders, a firm of external auditors to act as Independent Auditors and for monitoring the independence and performance of the Independent Auditors, including attending at private meetings with the Independent Auditors and reviewing and approving their remuneration.
- 13. The Committee shall be responsible for resolving disagreements between management and the Independent Auditors regarding financial reporting.
- 14. The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the Independent Auditors.
- 15. The Committee shall review the Independent Auditor’s audit plan, including scope, procedures and timing of the audit.
- 16. The Committee shall review the results of the annual audit with the Independent Auditors, including matters related to the conduct of the audit.
- 17. The Committee shall obtain reports from the Independent Auditors (either orally or in writing) describing critical accounting policies and practices, alternative treatments of information within IFRS that were discussed with management, their ramifications, and the Independent Auditors' preferred treatment and material written communications between the Corporation and the Independent Auditors.
- 18. The Committee shall review fees paid by the Corporation to the Independent Auditors and other professionals in respect of audit and non-audit services on an annual basis.
- 19. The Committee shall monitor and assess the relationship between management and the Independent Auditors, and monitor the independence and objectivity of the Independent Auditors.

### ***Corporate Conduct***

20. The Committee shall ensure that there is an appropriate standard of corporate conduct including a corporate code of ethics.

21. The Committee shall establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or control related matters.
22. The Committee shall oversee the Company's compliance and reporting process under the *Extractive Sector Transparency Measures Act*.

***Other Responsibilities***

23. The Committee shall review and assess the adequacy of this mandate from time to time and at least annually and submit any proposed revisions to the Board for approval.
24. The Committee shall perform any other activities consistent with this mandate and applicable law, as the Committee or the Board deems necessary or appropriate.

**Authority**

25. The Committee has the authority to:
  - (a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as it determines necessary to carry out its duties;
  - (b) set and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;
  - (c) communicate directly with the independent auditors of the Corporation (the "Independent Auditors");
  - (d) conduct any investigation appropriate to its responsibilities, and request the Independent Auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee; and
  - (e) have unrestricted access to the books and records of the Corporation.

## SCHEDULE “B”

### HIGHLAND COPPER COMPANY INC. (the “Company”)

#### SHARE OPTION PLAN

(approved by the shareholders of the Company on December 12, 2019,  
and amended on November 15, 2022)

#### ARTICLE 1 PURPOSE AND INTERPRETATION

##### Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies and any inconsistencies between this Plan and TSX Venture Policies will be resolved in favour of the latter.

##### Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Black-out Period** means a period during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any Black-out Period must expire following the general disclosure of the undisclosed material information;
- (c) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (d) **Cause** means “Just Cause” as defined in the Participant’s employment agreement or agreement for services with the Company or one of its subsidiaries, or if such term is not defined or if the Participant has not entered into an employment agreement or agreement for services with the Company or one of its subsidiaries, then any circumstance that would permit the Company or one of its subsidiaries to terminate a Participant’s employment or agreement for services without notice of termination, or payment in lieu of notice of termination, severance pay or benefits continuation under the applicable law;
- (e) **Change of Control** means situations where after giving effect to the contemplated transaction and as a result of such transaction:

(i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,

(ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture;

(g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its successors according to law;

(h) **Consultant** means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or any of its subsidiaries) or Company that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the Company, as the case may be; and

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries;

(i) **Date of Termination** means, for a Participant, the last day that the Participant actively provides services to the Company or a subsidiary of the Company without regard to any notice of termination or pay in lieu of notice thereof, deemed or notional notice period, or period during which the Participant receives pay in lieu of notice, termination pay, severance payments, or salary continuance, whether pursuant to statute, agreement, common law or otherwise;

(j) **Director** means a director (as defined under applicable securities laws) of the Company or any of its subsidiaries;

(k) **Disinterested Shareholder Approval** has the meaning assigned by Policy 4.4 Sections 5.3(b) and (c) of the TSX Venture Policies;

(l) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

(m) **Effective Date** for an Option means the date of grant thereof by the Board;

- (n) **Employee** means:
- (i) an individual who is considered an employee of the Company or of its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source;
- (o) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (p) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (q) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (r) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (s) **Investor Relations Service Provider** means any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;
- (t) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (u) **Management Company Employee** means an individual employed by a company providing management services to the Company which services are required for the ongoing successful operation of the business enterprise of the Company;
- (v) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (w) **Officer** means an officer (as defined under applicable securities laws) of the Company or any of its subsidiaries;
- (x) **Option** means the right to purchase Common Shares granted hereunder to a Participant under this Security Based Compensation Plan;

- (y) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Participant and substantially in the form of Schedule A attached hereto;
- (z) **Optioned Shares** means Common Shares that may be issued in the future to a Participant upon the exercise of an Option;
- (aa) **Optionee** means the recipient of an Option hereunder;
- (bb) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (cc) **Participant** means a Service Provider that is the recipient of Security Based Compensation granted or issued by the Company;
- (dd) **Person** includes a company, any unincorporated entity, or an individual;
- (ee) **Plan** means this security based share option plan, the terms of which are set out herein or as may be amended;
- (ff) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under this Plan as provided in §2.2;
- (gg) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over this Plan and any Options issued hereunder;
- (hh) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ii) **Security Based Compensation** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (jj) **Security Based Compensation Plan** has the meaning given to such term in TSX Venture Policy 4.4 – *Security Based Compensation*;
- (kk) **Service Provider** means a Person who is a Director, Officer, Employee, Management Company Employee, or Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (ll) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (mm) **Take Over Bid** means a take over bid as defined in National Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (nn) **TSX Venture** means the TSX Venture Exchange and any successor thereto;
- (oo) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time; and



(pp) **VWAP** means the volume-weighted average trading price of the Common Shares on the TSX Venture calculated by dividing the total value by the total volume of the Common Shares traded for the five trading days immediately preceding the exercise of the subject Option, provided that the TSX Venture may exclude internal crosses and certain other special terms trades from the calculation.

### **Other Words and Phrases**

1.3 Words and phrases used in this Plan but which are not defined in this Plan, but are defined in the TSX Venture Policies, will have the meaning assigned to them in the TSX Venture Policies.

### **Gender**

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 SHARE OPTION PLAN**

### **Establishment of Share Option Plan**

2.1 This Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **Maximum Plan Shares**

2.2 The maximum aggregate number of Common Shares that may be reserved for issuance under this Plan, together with all other Security Based Compensation Plans, at any point in time is up to 10% of the Outstanding Shares as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans.

### **Eligibility**

2.3 Options to purchase Common Shares may be granted hereunder to Participants from time to time by the Board. Participants that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

### **Options Granted Under this Plan**

2.4 All Options granted under this Plan will be evidenced by an Option Commitment substantially in the form attached as Schedule A (or in such other form as determined by the Company) showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

## **Limitations on Participation**

2.6 This Plan provides for the following limits on grants unless otherwise permitted pursuant to the policies of the TSX Venture:

(i) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to any one Participant (and where permitted pursuant to the policies of the TSX Venture, any company that is wholly-owned by the Participant) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 5% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

(ii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 10% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation;

(iii) unless Disinterested Shareholder Approval is obtained, the maximum aggregate number of Common Shares that may be issuable to Insiders of the Company (as a group) pursuant to all Security Based Compensation of the Company may not exceed 10% of the Outstanding Shares at any point in time;

(iv) the maximum aggregate number of Common Shares that may be issuable to any Consultant of the Company pursuant to all Security Based Compensation of the Company granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Security Based Compensation; and

(v) the maximum aggregate number of Common Shares that may be issuable to all Investor Relations Services Providers pursuant to Options granted or issued within any twelve (12) month period may not exceed 2% of the Outstanding Shares calculated on the date of grant of any Options and Investor Relations Services Providers may not received any Security Based Compensation other than Options.

## **Exercised and Unexercised Options**

2.7 In the event an Option granted under this Plan is exercised, expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to this Plan and will be eligible for re-issuance.

## **Administration of this Plan**

2.8 The Board will be responsible for the general administration of this Plan and the proper execution of its provisions, the interpretation of this Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue this Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of this Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under this Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of this Plan so delegated to the same extent as the Board is hereby authorized so to do.

### **Amendment of this Plan by the Board of Directors**

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify this Plan or any Option granted as follows:

- (a) amendments which are of a typographical, grammatical, clerical nature only;
- (b) amendments of a housekeeping nature;
- (c) amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture; and
- (d) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, amendments as may be required by the policies of such senior stock exchange or stock market.

### **Amendments Requiring Disinterested Shareholder Approval**

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) this Plan, together with any other Security Based Compensation Plans, or any particular grant or issue of Security Based Compensation, could result in:
  - (i) the aggregate number of Common Shares issuable pursuant to Security Based Compensation to Insiders (as a group) exceeding 10% of the Outstanding Shares at any time;
  - (ii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to Insiders (as a group) exceeding 10% of the Outstanding Shares calculated at the date of grant or issue; or
  - (iii) the aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue; or

- (b) any reduction in the Exercise Price or the extension of the term of an Option held by an Insider or any other amendment to an Option that results in a benefit to an Insider.

### **Options Granted Under the Company's Previous Share Option Plans**

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **Exercise Price**

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under this Plan, but cannot be less than the Market Price on the TSX Venture on the last trading day prior to the grant date of the Option.

### **Term of Option**

3.2 The term of an Option will be set by the Board at the time such Option is allocated under this Plan. An Option can be exercisable for a maximum of 10 years from the Effective Date.

### **Option Amendment**

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 In respect of any proposed amendment to the terms of an Option, and except as otherwise provided under TSX Venture Policies:

- (a) any amendment must be approved by the TSX Venture, and be subject to shareholder approval, where applicable, prior to the exercise of such Option; and
- (b) the Company must issue a news release outlining the terms of the amendment.

### **Vesting of Options**

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under this Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Participant remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Participant remaining as a Director of the Company or any of its Affiliates during the vesting period.

### **Vesting of Options Granted to Investor Relations Service Providers**

3.7 Notwithstanding §3.6, Options granted to Investor Relations Service Providers will vest such that:

- (a) no more than 25% of the Options vest no sooner than three months after the Options were granted;
- (b) no more than another 25% of Options vest no sooner than six months after the Options were granted;
- (c) no more than 25% of Options vest no sooner than nine months after the Options were granted; and
- (d) the remainder of the Options vest no sooner than 12 months after the Options were granted.

### **Effect of Take-Over Bid**

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture for vesting requirements imposed by the TSX Venture Policies.

### **Acceleration of Vesting on Change of Control**

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities. Notwithstanding the foregoing, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

### **Extension of Options Expiring during Black-out Period**

3.10 Should the Expiry Date for an Option fall within a Black-out Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10<sup>th</sup>) Business Day after the end of the Black-out Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan, provided that such automatic extension of the Expiry Date for an Option will not apply where the Participant or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

### **Optionee Ceasing to be Director, Employee or Service Provider**

3.11 Options may be exercised after the Participant has left his/her employ/office or has been advised by the Company or its subsidiary, as applicable, that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Participant will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the Termination Date, and only to the extent that such Option was vested at the Termination Date; and
- (c) in the case of an Optionee being dismissed from employment or service for Cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate on the Termination Date without right to exercise same.

### **Non-assignable**

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

### **Adjustment of the Number of Optioned Shares**

3.13 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company;
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees; and
- (h) any adjustment, other than in connection with a security consolidation or security split, to Options granted or issued under this Plan is subject to the prior acceptance of the TSX Venture, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## **ARTICLE 4**

### **COMMITMENT AND EXERCISE PROCEDURES**

#### **Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to this Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

#### **Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.5.

### **Cashless Exercise**

4.3 Subject to the provisions of this Plan (including, without limitation, Section 4.5 and, upon prior approval of the Board, once an Option has vested and become exercisable, an Optionee may elect to exercise such Option by either:

- (a) excluding Options held by any Investor Relations Service Provider, a “net exercise” procedure in which the Company issues to the Optionee, Common Shares equal to the number determined by dividing (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the exercise price of the subject Options by (ii) the VWAP of the underlying Common Shares; or
- (b) a broker assisted “cashless exercise” in which the Company delivers a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of the Options and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding obligations a determined by the Company against delivery of the Common Shares to settle the applicable trade.

An Option may be exercised pursuant to this §4.3 from time to time by delivery to the Company, at its head office or such other place as may be specified by the Company of (i) written notice of exercise specifying that the Optionee has elected to effect such a cashless exercise of such Option, the method of cashless exercise, and the number of Options to be exercised and (ii) the payment of an amount for any tax withholding or remittance obligations of the Optionee or the Company arising under applicable law and verified by the Company to its satisfaction (or by entering into some other arrangement acceptable to the Company in its discretion, if any). The Participant shall comply with Section 4.5 of this Plan with regard to any applicable required withholding obligations and with such other procedures and policies as the Company may prescribe or determine to be necessary or advisable from time to time including prior written consent of the Board in connection with such exercise.

4.4 In the event of a net exercise pursuant to §4.3(a) or a cashless exercise pursuant to §4.3(b), the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company, must be included in calculating the limits set forth in §2.2, §2.6 and §2.10 of this Plan.

### **Tax Withholding and Procedures**

4.5 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.5 and elsewhere in this Plan, and as a condition of exercise:



- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

### **Delivery of Optioned Shares and Hold Periods**

4.6 As soon as practicable after receipt of the notice of exercise described in §4.2 or §4.3, as applicable, and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders; or
- (b) where Options are granted to any Participants, including Insiders, where the Exercise Price is at a discount to the Market Price.

4.7 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the Effective Date of the grant of the Options.

## **ARTICLE 5 GENERAL**

### **Employment and Services**

5.1 Nothing contained in this Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company or a subsidiary of the Company, or interfere in any way with the right of the Company or a subsidiary of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in this Plan by an Optionee is voluntary.

### **No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of this Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Participant. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

### **Interpretation**

5.3 This Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **Continuation of Plan**

5.4 This Plan will become effective from and after December 14, 2022, and will remain effective provided that this Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to such effective date.

### **Amendment of this Plan**

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate this Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of this Plan will be subject to any necessary Regulatory Approvals and Shareholder Approval.

**SCHEDULE A**  
**SHARE OPTION PLAN**  
**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, pursuant to the provisions of the Share Option Plan (the “Plan”) of Highland Copper Company Inc. (the “Company”), the Company has granted to \_\_\_\_\_ (the “Optionee”), an Option to acquire \_\_\_\_\_ Common Shares (“Optioned Shares”) up to 5:00 p.m. (Vancouver Time) on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Expiry Date”), or such earlier date as determined in accordance with the terms of this Plan, at an Exercise Price of Cdn\$ \_\_\_\_\_ per share.

[Optioned Shares are to vest immediately.]

**OR**

[Optioned Shares will vest (*INSERT VESTING SCHEDULE AND TERMS*)]

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof. This Option Commitment and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Commitment is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

To exercise the Option, (1) deliver a written notice in the form attached as Schedule B to the Plan (or in such other form as established by the Company) specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate exercise price, or (2) if the Optionee wishes to exercise the Option on a “net exercise” basis or “cashless exercise” basis in accordance Section 4.3(a) or Section 4.3(b) of the Plan and the Company’s Board of Directors approves the exercise on a “net exercise” basis or “cashless exercise” basis, deliver a written notice and comply with such other conditions as established by the Company for a “net exercise” or “cashless exercise”. A certificate, or a written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the Company or its transfer agent, if applicable, as soon as practicable thereafter and may bear a restrictive legend if required under applicable securities laws or the policies of the TSX Venture Exchange.

*[Note: If a four month hold period is applicable under the policies of the TSX Venture Exchange, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.*

“WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE 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 *[insert date 4 months from the date of grant of the Options]*.”

The Company and the Optionee represent that the Optionee, under the terms and conditions of the Plan, is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the TSX Venture Policies) by both the Company and the TSX Venture Exchange as more particularly set out in the Acknowledgement - Personal Information form in use by the TSX Venture Exchange on the date of this Option Commitment.

**HIGHLAND COPPER COMPANY INC.**

Per:

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
*[insert name and title of authorized signatory]*

The Optionee acknowledges receipt of a copy of the Plan and represents to the Company that the Optionee is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Optionee agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by applicable regulatory authorities.

**OPTIONEE:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date signed:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

**SCHEDULE B**

**SHARE OPTION PLAN**

**NOTICE TO EXERCISE OPTIONS**

HIGHLAND COPPER COMPANY INC.  
Attention: Share Option Plan Administrator  
1111 St-Charles St. West,  
West Tower, Suite 101,  
Longueuil, QC J4K 5G4

Re: Employee Share Option Exercise

Attn: Share Option Plan of Highland Copper Company Inc. (the "Company")

This letter is to inform the Administrator of the Company's Share Option Plan that I, \_\_\_\_\_, wish to exercise \_\_\_\_\_ options, at \_\_\_\_\_ per share, on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Payment issued in favour of *[insert the name of the Company]* for the amount of \$ \_\_\_\_\_ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Please send share certificate to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date

\_\_\_\_\_  
SIN Number (for T4)