NOTICE OF ANNUAL GENERAL & SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "Meeting") of the shareholders of Velox Energy Materials Inc. (the "Company") will be held https://uplistadvisory.com/velox-energy-2026-agsm to facilitate an interactive meeting and live online voting for Registered Shareholders and duly appointed proxy holders on **December 28, 2026 at 9:00 a.m.** (EST), and at any adjournment thereof for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2025 together with the auditor's report thereon;
2. to fix the number of directors at three (3);
3. to elect directors for the ensuing year;
4. to appoint Jones & O'Connell LLP, Chartered Professional Accountants as the auditors for the ensuing year and to authorize the directors to fix their remuneration;
5. to consider and, if thought fit, to pass an ordinary resolution approving the long-term incentive plan, as more fully set forth in the information circular accompanying this notice;
6. to transact such further or other business as may properly come before the meeting and any adjournments thereof.

NOTICE-AND-ACCESS

You are receiving this notification as the Company has decided to use the notice and access model ("Notice and Access"), provided for under recent amendments to National Instrument 54-101, for the delivery of meeting materials to its shareholders. In respect to the Meeting, instead of receiving paper copies of the Company's management information circular, audited annual consolidated financial statements and MD&A for the years ended December 31, 2025 and other meeting materials (the "Meeting Materials"), shareholders are receiving this notice with information on how they may access the Meeting Materials electronically. However, together with this notification, shareholders continue to receive a proxy or voting instruction form, as applicable, enabling them to vote at the Meeting. The use of this alternative means of delivering Meeting Materials is more environmentally friendly and will reduce the Company's printing and mailing costs.

The Company is holding the Meeting as a completely virtual meeting, where all shareholders regardless of geographic location and equity ownership will have an equal opportunity to participate at the Meeting and engage with directors of the Company and management as well as other shareholders. Shareholders will not be able to attend the Meeting in person. Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at https://uplistadvisory.com/velox-energy-2026-agsm. Beneficial shareholders (being shareholders who hold their Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to attend, participate or vote at the Meeting.

As a shareholder of the Company, it is very important that you read the management information circular of the Company dated November 13, 2026 (the "Information Circular") and other Meeting materials carefully. They contain important information with respect to voting your Shares and attending and participating at the Meeting.

A shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form, to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and

participate at the Meeting as your proxy and vote your Shares, including if you are a nonregistered shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you MUST register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting. To register a proxyholder, shareholders MUST send an email to voteproxy@uplistadvisory.com and their proxyholder's contact information, amount of shares appointed, name in which the shares are registered if they are a registered shareholder, or name of broker where the shares are held if a beneficial shareholder, so the proxyholder may be provided with a Username via email.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval ("**SEDAR**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Information Circular, financial statements for the financial year ended December 31, 2025 ("**Financial Statements**") and management's discussion and analysis of the Company's results of operations and financial condition for 2025 ("**MD&A**") may be found on the Company's SEDAR profile at www.sedarplus.ca and also at https://uplistadvisory.com/velox-energy-2026-agsm.

Obtaining Paper Copies of Materials

Shareholders with questions about notice-and-access can call Uplisting Advisory Inc., toll-free at 1-855-UPLIST-1. Shareholders may also obtain paper copies of the Information Circular, Financial Statements and MD&A's free of charge by contacting the Company. A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Company or Uplisting Advisory Inc., as applicable, no later than December 16, 2026, in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies to AGM Connect or voting instruction forms to intermediaries, as applicable, before the Proxy Deadline.

Dated this 13th day of November, 2026.

APPROVED BY THE BOARD OF DIRECTORS

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"Nicole Morcombe"
Nicole Morcombe
Interim President, CEO & Director

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Velox Energy Materials Inc. (the "Company") for use at the annual general and special meeting (the "Meeting") of the shareholders of the Company (the "Shareholders") to be held virtually on December 28, 2026 and at any adjournments or postponements thereof, for the purposes set out in the accompanying Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of November 13, 2026.

In this Information Circular, references to the "Company" and "we" refer to Velox Energy Materials Inc. "Common Shares" means common shares without par value in the capital of the Company. "Registered Shareholders" means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. "Non-Registered Shareholders" means Shareholders who do not hold Common Shares in their own name. "Intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders. Unless otherwise indicated, all references to "$" or "dollars" in this Information Circular means Canadian Dollars.

The Company is conducting the Meeting in a virtual-only format that will allow Shareholders and duly appointed proxyholders to participate online in real time. The Company is providing the virtual-only format in order to provide Shareholders with an equal opportunity to attend and participate at the Meeting, regardless of the particular constraints, circumstances or risks that they may be facing. Shareholders will not be able to physically attend the Meeting.

Registered Shareholders ("**Registered Shareholders**") and duly appointed proxyholders will be able to virtually attend, ask questions and vote at the Meeting. Non-registered Shareholders (being shareholders who beneficially own Shares that are registered in the name of an intermediary (an "**Intermediary**") such as a bank, trust company, securities broker or other nominee, or in the name of a depositary of which the intermediary is a participant) ("**Beneficial Shareholders**") who have not duly appointed themselves as proxyholder will be able to virtually attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

Changes to the Meeting, time, date or location and/or means of holding the Meeting may be announced by way of news release. Please monitor the Company's news releases as well as its website at https://veloxenergymaterials.com.au/ for updated information. The Company advises you to check its website one week prior to the Meeting date for the most current information. The Company does not intend to prepare an amended Circular in the event of changes to the Meeting format.

SOLICITATION OF PROXIES BY MANAGEMENT

The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, electronically or by telephone by directors, officers, employees or consultants of the Company. The Company will bear all costs of this solicitation. We have arranged to send Meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Information Circular and associated Meeting materials unless their Intermediary assumes the costs of delivery.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons named in the enclosed proxy (the "**Management Designees**") have been selected by the directors of the Company.

A Registered Shareholder has the right to designate a person (who need not be a Shareholder), other than the Management Designees to represent the Registered Shareholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the proxy the name of the person to be designated, and by deleting from the proxy the names of the Management Designees, or by completing another proper form of proxy and delivering the same to Company. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder's shares are to be voted. The nominee should bring personal identification with them to the Meeting.

To be valid, the proxy must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy). The proxy must then be delivered to **Uplisting Advisory Services Inc**., the Company appointed meeting services provider, by email to voteproxy@uplistadvisory.com or by mail to Uplisting Advisory Services Inc., 100 King Street W. Suite 5700, Toronto, ON, M5X 1C7, and following the voting instructions provided to you, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a Registered Shareholder personally attending the Meeting and voting their shares. A Registered Shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the Registered Shareholder or by their authorized attorney in writing, or, if the Registered Shareholder is a Company, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of Uplisting Advisory Services Inc., at foregoing address or the head office of the Company, at 1111 West Hastings, 15th Floor, Vancouver, British Columbia, V6E 2J3, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting, or any adjournment thereof.

Only Registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.

VOTING OF PROXIES

Voting at the Meeting will be by a show of hands, each Registered Shareholder and each proxyholder (representing a Registered or Non-Registered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the

Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification.

In the absence of any such specification as to voting on the proxy, the Management Designees, if named as proxyholder, will vote in favour of the matters set out therein.

The enclosed proxy confers discretionary authority upon the Management Designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters properly come before the Meeting, then the Management Designees intend to vote in a manner which in their judgment is in the best interests of the Company.

NON-REGISTERED HOLDERS

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, 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 Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. as nominee for The Canadian Depositary for Securities Limited (which acts as depositary for many Canadian brokerage firms and custodian banks), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many United States brokerage firms and custodian banks).

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company. If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated Meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to

instructing the Intermediary on how to vote on your behalf. The voting instruction form will name the same persons as the Company's proxy to represent you at the Meeting. Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting

Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as proxyholder for your Intermediary and vote your Common Shares in that capacity. To exercise this right to attend the Meeting or appoint a proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form Broadridge or any other Intermediary, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

Participating and Voting at the Meeting

Only Registered Shareholders and duly appointed proxyholders as of the close of business on the Record Date will be entitled to vote at the Meeting and any adjournment or postponement thereof. Just as they would be at an in-person meeting, Registered Shareholders and duly appointed proxyholders will be able to attend the virtual Meeting, submit questions online and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in this Circular. A Registered Shareholder or a Beneficial Shareholder who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of shareholders and appointed proxy holders. To have their Shares voted at the Meeting, each Registered Shareholder or duly appointed proxyholder will be required to enter their control number at **https://uplistadvisory.com/velox-energy-2026-agsm** prior to the start of the Meeting.

Beneficial Shareholders who have not duly appointed themselves as proxyholders may virtually attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to vote or ask questions at the Meeting. This is because the Company does not have a record of Beneficial Shareholders of the Company and, as a result, will have no knowledge of such Beneficial Shareholder's shareholdings or entitlement to vote, unless the Beneficial Shareholder appoints itself as proxyholder.

In order to streamline the virtual Meeting process, the Company encourages Shareholders to vote in advance of the Meeting using the form of proxy or voting instruction form, as applicable, mailed to them.

Quorum and Approval

A quorum of Shareholders is required to transact business at the Meeting. A quorum is at least two persons who are, or who represent by proxy, two or more Shareholders who, in the aggregate, hold at least 5% of the issued Shares entitled to be voted at the Meeting.

To be effective, an ordinary resolution must be approved by a simple majority (50% plus 1) of the votes cast on the resolution by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting. To be effective, a special resolution must be approved by not less than two-thirds (66⅔%) of the votes cast on the resolution by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting.

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors, of any person or company who has been: (a) a director or executive officer of the Company at any time since the beginning of the Company's last financial year; (b) any proposed nominee for election as a director of the Company; or (c) any associate or affiliate of any of the foregoing persons or companies.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares, without nominal or par value, of which as at the date hereof 178,592,571 Common Shares are issued and outstanding. The holders of Common Shares of record at the close of business on the record date, set by the directors of the Company to be **November 13, 2026**, are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the directors, the only matters to be placed before the Meeting are those referred to in the accompanying Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the proxies solicited hereby will be voted on such matters in accordance with the best judgment of the persons named in the proxy. Additional information regarding each of the matters to be acted upon at the Meeting is set out below.

Presentation of Financial Statements

The audited consolidated financial statements of the Company as at and for the year ended December 31, 2025 and the report of the auditor thereon will be tabled at the Meeting but no vote by the Shareholders with respect thereto is proposed to be taken. The audited consolidated financial statements and the related Management's Discussion and Analysis ("**MD&A**") are available under the Company's profile on SEDAR+ at www.sedarplus.ca as well as on the Company's website at https://veloxenergymaterials.com.au.

Election of Directors

The Board of Directors currently consists of three directors. The term of office for each of the present directors of the Company expires at the Meeting. All of the current directors of the Company will be standing for re-election. It is proposed that the number of directors for the ensuing year be fixed at three (3) subject to such increases as may be permitted by the Articles of the Company.

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next Annual General Meeting of the Company or until his successor is duly elected or appointed pursuant to the Articles of the Company unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's Articles.

Each of the Nominees has confirmed their willingness to serve on the Board for the ensuing year and management of the Company does not contemplate that any of the Nominees will be unable to serve as a director.

To be effective, the election of each Nominee requires the affirmative vote of not less than a majority of the votes cast by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting

The Board unanimously recommends that Shareholders vote in favour of the above resolution

Information Concerning the Nominees

The following provides information on the Nominees including: (i) their province and/or state and country of residence; (ii) the period during which each has served as a director; (iii) their membership on committees of the Board; (iv) their present principal occupation, business or employment and in the last five years; and (v) their current equity ownership consisting of Common Shares, stock options or any other share based compensation beneficially owned, controlled or directed, directly or indirectly.

Name, province or state and country of residence and position held in VLX	Principal occupation during the past five years	Period Served as a Director	Number of Shares beneficially owned, directly or indirectly, or controlled or directed at present[1]
Nicole Morcombe [1] *Western Australia, Australia* *Director, Interim CEO and President*	Self Employed, consultant (Feb 2011-Present)	June 16, 2023	15,601,828 Common Shares
Michael Griffiths [1] *Western Australia,* *Australia* *Director, VP Exploration*	VP Exploration of the Company (July 2023). Previously, President & CEO of the Company (July 2017-July 10, 2023)	March 7, 2005	7,655,519 Common Shares
Vincent Algar [1] *Western Australia, Australia* *Director*	Independent Consultant	March 31, 2025	4,000,000 Deferred Share Units

(1) Member or proposed member of the Audit Committee.

As at November 13, 2026, to the Company's knowledge, the Nominees and the executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control over, a total of 23,257,347 Common Shares,

representing approximately 13.02% of the issued and outstanding Common Shares on a non-diluted basis.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no director or proposed director of the Company is, or within the ten (10) years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that:

(a) while that person was acting in that capacity was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or

(b) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the person ceased to act in that capacity and which resulted from an event that occurred while the person was acting in that capacity; or

(c) 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.

Individual Bankruptcies

To the knowledge of the Company, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

To the knowledge of the Company, no proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Appointment and Remuneration of the Auditor

At the Meeting, Shareholders will be asked to approve the re-appointment of Jones & O'Connell LLP, Chartered Professional Accountants ("**Jones & O'Connell**") as the independent auditor of the Company to hold office until the close of the next annual meeting of Shareholders and to authorize the Board to fix their remuneration.

To be effective, the resolution approving the re-appointment of Jones & O'Connell LLP as auditor of the Company to hold office until the close of the next annual meeting of Shareholders and to authorize the Board to fix their remuneration requires the affirmative vote of not less than a majority of the votes cast by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting.

The Board unanimously recommends that Shareholders vote in favour of the re-appointment of Jones & O'Connell LLP. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, FOR the appointment of Jones & O'Connell LLP as the Company's independent auditor to hold office until the next annual meeting of Shareholders with remuneration to be approved by the Board.

Approval of Long-Term Incentive Plan

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve the Long Term Incentive Plan, in the form set out below (the "**LTIP Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting, approving the LTIP. To be effective, the LTIP Resolution requires the affirmative vote of not less than a majority of the votes cast by Shareholders present virtually or represented by proxy and entitled to vote at the Meeting.

The Board unanimously recommends that Shareholders vote in favour of the LTIP Resolution. Unless otherwise indicated, the persons designated as proxyholders in the accompanying form of proxy will vote the Shares represented by such form of proxy, properly executed, FOR the LTIP Resolution.

The text of the LTIP Resolution to be submitted to Shareholders at the Meeting is set forth below:

"**BE IT RESOLVED THAT**,

1. The Company's Long Term Incentive Plan (the "**LTIP**") is hereby authorized and approved;

2. Any director or officer of the Company is hereby authorized and directed, acting for, in the name of, and on behalf of, the Company, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer be necessary or desirable to carry out the intent of the foregoing resolution."

Summary of the Long-Term Incentive Plan

The following is a summary of the principal terms of the Company's Long-Term Incentive Plan (the "LTIP" or the "Plan").

Purpose and Administration

The purpose of the LTIP is to promote the long-term success of the Company and the creation of shareholder value by attracting, retaining and motivating directors, officers, employees, management company employees and consultants of the Company and its subsidiaries, and aligning their interests with those of shareholders.
The LTIP provides for the grant of stock options ("Options"), restricted share units ("RSUs"), performance share units ("PSUs"), deferred share units ("DSUs") and stock appreciation rights ("SARs") (collectively, "Awards") to eligible participants, as determined by the Board of Directors (the "Board").

The LTIP is administered by the Board or a committee designated by the Board. Subject to the terms of the Plan and applicable regulatory requirements, the Board has discretion to determine the eligibility of participants, the number and type of Awards to be granted, vesting conditions and other terms and conditions of Awards.

Shares Reserved for Issuance

The LTIP is a rolling 10% security-based compensation plan in accordance with TSX Venture Exchange ("TSXV") Policy 4.4 – Security Based Compensation (the "Policy"). The maximum aggregate number of common shares of the Company ("Common Shares") issuable pursuant to the LTIP, together with all other security-based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares at any time, calculated on a non-diluted basis. Section 4.1.2 of the Plan also provides for a maximum of 22,920,585 Awards for the purposes of ASX Listing Rule 7.2 Exception 13. This limit does not override the TSXV limits.

As the LTIP is a rolling plan, the number of Common Shares available for issuance will fluctuate based on the number of Common Shares issued and outstanding from time to time. Awards that expire, are cancelled, forfeited or otherwise terminated without the issuance of Common Shares will generally become available for subsequent grants under the LTIP.

Participation Limits

The LTIP provides for the following limitations, subject to the requirements of the Policy:

- The aggregate number of Common Shares issuable to any one participant under all security-based compensation arrangements of the Company within any 12-month period shall not exceed 5% of the issued and outstanding Common Shares, unless the requisite disinterested shareholder approval has been obtained.
- The aggregate number of Common Shares issuable to any one consultant within any 12-month period shall not exceed 2% of the issued and outstanding Common Shares.
- The aggregate number of Common Shares issuable to insiders as a group at any time, or within any 12-month period, shall not exceed 10% of the issued and outstanding Common Shares, unless the requisite disinterested shareholder approval has been obtained.
- The aggregate number of Common Shares issuable to all investor relations service providers within any 12-month period shall not exceed 2% of the issued and outstanding Common Shares. Investor relations service providers may only receive Options under the LTIP.
- The aggregate number of Common Shares issuable to eligible charitable organizations shall not exceed 1% of the issued and outstanding Common Shares at any time, subject to the applicable provisions of the Plan and the Policy.

Types of Awards

Stock Options

Options entitle the holder to purchase Common Shares at an exercise price established by the Board, which shall not be less than the Discounted Market Price permitted under the Policy. The maximum term of an Option is 10 years from the date of grant. The Committee may, in its discretion, permit Options to be exercised by way of Cashless Exercise (through a broker who sells sufficient Common Shares to cover the exercise price) or Net Exercise (where no exercise price is paid and the holder receives Common Shares equal in value to the in-the-money amount of the Options, based on the five-day VWAP). Net Exercise is not available to investor relations service providers. In either case, the number of Options exercised, and not the number of Common Shares issued, is counted toward the Plan limits.

Options granted to investor relations service providers must vest in stages over a period of not less than 12 months, with no more than 25% vesting in any three-month period. Any acceleration of vesting of such Options is subject to prior acceptance of the TSXV.

Options granted to eligible charitable organizations expire on the earliest of 10 years from the date of grant, 90 days after the holder ceases to be an eligible charitable organization, and the applicable expiry date.

Restricted Share Units

RSUs represent the right to receive Common Shares upon satisfaction of applicable vesting conditions and restrictions established by the Board. RSUs generally vest following the expiry of a restriction period specified in the applicable Award agreement, subject to the terms of the Plan.

Performance Share Units

PSUs vest based on the achievement of performance criteria established by the Board over a specified performance period. Each vested PSU entitles the holder to receive one Common Share, unless otherwise specified in the applicable Award agreement. The Board may reduce, but may not increase, the amount payable under a PSU.

Deferred Share Units

DSUs represent the right to receive Common Shares on a deferred basis in accordance with the terms of the Plan. Directors may elect to receive all or a portion of their directors' fees in the form of DSUs. The conversion price applicable to DSUs granted in satisfaction of directors' fees shall not be less than the Discounted Market Price on the date of grant.
DSUs are generally settled following the participant ceasing to be an eligible person, subject to the settlement requirements and limitations prescribed by the Plan and the Policy.

Stock Appreciation Rights

SARs entitle the holder to receive, on exercise, Common Shares equal in value to the amount by which the market price of the Common Shares on the exercise date exceeds the SAR grant price, multiplied by the number of SARs exercised. The SAR grant price may not be less than the Discounted Market Price. If the applicable Award agreement so provides, the Company may settle SARs in cash instead of Common Shares. The maximum term of a SAR is 10 years.

Vesting and Termination of Awards

Except for Options, Awards granted under the LTIP are generally subject to a minimum vesting period of one year from the date of grant. The Board may accelerate vesting in certain circumstances permitted under the Policy, including the death of a participant or where a participant ceases to be an eligible person in connection with a change of control, takeover bid, reverse takeover or similar transaction.

In the event of a change of control, the Plan provides for the acceleration of vesting of certain outstanding Awards, subject to the minimum vesting requirements and applicable exceptions under the Policy.
Upon a participant ceasing to be an eligible person, outstanding Awards are subject to the applicable termination, forfeiture, exercise and settlement provisions of the LTIP. Any Award remaining outstanding following cessation must expire, be exercised or be settled, as applicable, no later than 12 months following the cessation date, subject to any earlier deadline prescribed by the Plan or the Policy.

The LTIP also provides for limited extensions of Award expiry or settlement dates during trading blackout periods imposed by the Company, subject to the conditions and restrictions prescribed by the Policy.
No participant has any rights as a shareholder, including voting or dividend rights, in respect of Common Shares underlying an Award until those Common Shares are issued.

Adjustments and Amendments

The LTIP provides for adjustments to outstanding Awards in the event of certain changes to the Company's share capital, including share subdivisions, consolidations, amalgamations, reorganizations and other corporate transactions, subject to applicable Exchange requirements.

The Board may amend, suspend or terminate the LTIP or amend outstanding Awards, subject to applicable regulatory requirements and any required shareholder or Exchange approval. Amendments to the LTIP generally require shareholder approval, except for corrections of typographical errors or clarifications that do not alter the scope of the Plan. Amendments to outstanding Awards may require disinterested shareholder approval in circumstances prescribed by the Policy.

Shareholder Approval

As a rolling security-based compensation plan, the LTIP is subject to annual shareholder approval in accordance with the Policy. At the Meeting, shareholders will be asked to approve the LTIP, as amended, in accordance with the requirements of the TSXV.

The foregoing summary is qualified in its entirety by the full text of the LTIP attached as Schedule "A" to this Circular.

AUDIT COMMITTEE

In accordance with applicable Canadian securities legislation and, in particular, National Instrument 52-110 – *Audit Committees* ("NI 52-110"), information with respect to the Company's Audit Committee is contained below.

Audit Committee Charter

The Audit Committee has adopted a written charter setting out its purpose, which is to assist the Board fulfill its oversight responsibilities relating to accounting and financial reporting process and internal controls. The Audit Committee is responsible for, among other things, (i) monitoring the performance and independence of the Company's external auditors; (ii) reviewing certain public disclosure documents; and (iii) monitoring the Company's systems and procedures for financial reporting and internal control. A copy of the Audit Committee Charter is attached hereto as **Schedule "B".**

Composition of the Audit Committee

The Audit Committee is currently comprised of the following three (3) directors: Michael Griffiths, Nicole Morcombe and Vincent Algar. The Board has determined that one (1) of the members of the Audit Committee is "independent" and "financially literate" within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Given the size and stage of development of the Company, the Board has determined that it is appropriate for all members of the Board to serve on the Audit Committee. The Company believes that this structure is suitable and effective at this time and will be reviewed periodically as the Company grows.

Relevant Education and Experience

All of the Audit Committee members are businesspersons with experience in financial matters, each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavor.

Michael Griffiths holds a BSc and a Dip. Ed. from Macquarie University in Sydney, Australia and is a Fellow of the AusIMM. Mr. Griffiths has been a director of several publicly listed ASX and TSX-V companies since 2000 and has held a number of executive and non-executive positions during this time including Audit committee membership. Mikei also completed the Company Directors Course (2008). Michael is a co-founder of Kotai Energy

Nicole Morcombe is a finance professional with a background in economics, finance and accounting. She has spent almost 20 years in the financial markets and has extensive advisory and capital markets experience specializing in the Global Materials and Energy sectors. She spent the bulk of her career identifying, advising and financing early-stage and pre-development companies. Nicole is a co-founder of Kotai Energy.

Vincent Algar is a seasoned mining and resources geologist with over 34 years of experience in the industry. He brings a strong combination of technical expertise, corporate strategy, and leadership to the Board. Vincent served as Managing Director of Australian Vanadium Ltd (ASX: AVL) for nine years, where he was instrumental in advancing key projects and delivering significant shareholder value. His extensive background spans project development, strategic planning, and market engagement, with a proven ability to drive growth and visibility for emerging resource companies**.**

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been adopted by the Board.

Reliance on Certain Exemptions

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

Exemption for Venture Issuers

The Company is relying on the exemption in Section 6.1 of NI 52-110 regarding the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The charter adopted by the Audit Committee contains policies and procedures for the engagement of non- audit services. The Audit Committee is responsible for the pre-approval of all audit services and permissible non-audit services to be

provided to the Company by the external auditors, subject to any exceptions provided in NI 52-110.

External Auditor Service Fees

The fees billed by the Company's external auditors in each of the last two financial years for audit and non- audit related services provided to the Company or its subsidiaries (if any) are as follows:

Financial Year Ended	Audit Fees ($)	Audit Related Fees ($)	Tax Fees ($)	All other Fees ($)
December 31, 2025	$25,000	Nil	$3,250	Nil
December 31, 2024	$28,500	$18,500	$4,000	Nil

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below for the most recently completed fiscal year.

Board of Directors

The Board of Directors (the "Board") is currently comprised of three (3) members, one (1) of whom is independent for the purposes of National Instrument 58-101 – Disclosure of Corporate Governance Practices ("NI 58-101"). The remaining two (2) directors are not considered independent as they serve in executive capacities as Interim President & Chief Executive Officer and Vice President, Exploration, respectively.

Given the Company's size, stage of development and current operational requirements, the Board believes that its present composition is appropriate and allows for effective oversight of the Company's business and affairs. The Board considers that the participation of its independent director provides a meaningful measure of independent judgment, and that potential conflicts of interest are properly managed through full disclosure, abstention where appropriate, and the exercise of fiduciary duties by all directors.

When deemed necessary or advisable, the independent director may hold discussions with the Company's auditors, legal counsel, or external advisors without management present, and may convene meetings of the independent director alone. The Board will continue to review its composition as the Company grows and may appoint additional independent directors as circumstances warrant.

Orientation and Continuing Education

While the Company does not currently have a formal orientation and education program for new recruits to the Board, the Company has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Company, as well as information on the Company's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Company's particular circumstances, including the size of the Company, limited changes to members of the Board and the experience and expertise of the members of the Board.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation Committee

The Company's Compensation Committee is responsible for assisting the Board of Directors (the "Board") in fulfilling its responsibilities relating to executive and director compensation. The Committee's mandate includes, among other things,

evaluating the performance of the Company's executive officers, reviewing and making recommendations with respect to the compensation of executive officers and directors, considering incentive compensation and equity-based plans, and ensuring that the Company complies with applicable legal and disclosure requirements concerning compensation matters.

The Compensation Committee currently consists of three (3) members, one (1) of whom is independent within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices. The remaining two (2) members serve as executive officers of the Company and are therefore not considered independent. Given the Company's size, development stage, and limited management depth, the Board believes that the composition of the Committee is appropriate and practical at this time and that executive and director compensation matters can be addressed objectively and in the best interests of shareholders.

The Board has not engaged independent compensation consultants to date. The Company does not maintain a formal benchmarking process, and compensation decisions are made by the Board upon the Committee's recommendation, having regard to the Company's performance, responsibilities of the individuals concerned, and market conditions applicable to similar issuers. For additional information, see "Executive Compensation" below.

Other Board Committees

The board has no other committees currently in place other than the Audit and Compensation Committees.

Assessments

Due to the size of the Company's Board of directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

EXECUTIVE COMPENSATION

The following information is being provided pursuant to National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth the compensation paid, awarded, granted, given or otherwise provided to each named executive officer and director for the most recently completed financial year.

For purposes of this Statement of Executive Compensation:

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);
"**NEO**" or "**named executive officer**" means:

(a) each individual who served as the **CEO** of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,

(b) each individual who served as the **CFO** of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

(c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any issuable securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise

provided, directly or indirectly, by the Company of any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company for the financial years ended **December 31, 2024 and December 31, 2025.**

Name and Position	Financial Year Ended	Salary, Consulting Fee Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites (1) ($)	Value of all other Compensation ($)	Total Compensation ($)
Nicole Morcombe(1) CEO, Interim, President & Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	182,507	Nil	Nil	Nil	42,000	224,507
Michael Griffiths(2) Vice President, Exploration & Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024	113,463	Nil	Nil	Nil	Nil	113,463
Vincent Algar(3) Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
	2024						
Kyle Nazareth(5)	2025	31,500	Nil	Nil	Nil	Nil	31,500
CFO	2024	Nil	Nil	Nil	Nil	Nil	Nil
Silfia Morton(4)	2025	27,441	Nil	Nil	Nil	Nil	27,441
Former CFO	2024	100,289	Nil	Nil	Nil	Nil	100,289
Simon Coyle (6) Former President and CEO	2025	51,794	Nil	Nil	Nil	Nil	51,794
	2024	232,934	Nil	Nil	Nil	Nil	232,934
Mark Connelly(7)	2025	11,261	Nil	Nil	Nil	Nil	11,261
Non-Executive Chairman	2024	45,175	Nil	Nil	Nil	Nil	45,175

(1) Nicole Morcombe invoiced and accrued total fees of $224,507 for services rendered during 2024. No cash payments were made in respect of these fees, which remained accrued at year end. In 2025, a portion of $107,052 of the accrued amount was reversed or forgiven, resulting in a remaining accrued balance of $117,455.
(2) Michael Griffiths invoiced and accrued total fees of $113,463 for services rendered during 2024. No cash payments were made in respect of these fees, which remained accrued at year end. In 2025, a portion of $30,080 of the accrued amount was reversed or forgiven, resulting in a remaining accrued balance of $83,383.
(3) Vincent Algar was appointed as a Director on March 31, 2025.
(4) Silfia Morton resigned as CFO on June 30, 2025
(5) Kyle Nazareth was appointed CFO June 30, 2025
(6) Simon Coyle resigned as President and CEO on March 31, 2025
(7) Mark Connelly resigned as non-executive chairman on March 17, 2025. On July 18, 2025, the Company issued 919,483 common shares for the full and final settlement of outstanding debts owing to Mark Connelly for director's fees

Stock Options and Other Compensation Securities

Compensation Securities							
Name and principal position	**Type of Compensation Security**	**Number of Compensation Securities**	**Date of Issue or Grant**	**Issue, Conversion or Exercise Price ($)**	**Closing price of security or underlying security on date of grant**	**Closing price of security or underlying security at year end**	**Expiry Date**
Nicole Morcombe Interim CEO, President & Director	Options DSUs	Nil Nil	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Michael Griffiths Director	Options DSUs	Nil Nil	Nil Nil	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Vincent Algar Director	Options DSUs	Nil Nil	Nil Nil	N/A N/A	N/A 0.035	N/A N/A	N/A N/A
Kyle Nazareth CFO	Options DSUs	Nil Nil	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Silfia Morton Former CFO	Options DSUs	Nil Nil	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
Simon Coyle Former President and CEO	Options DSUs	Nil Nil	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by directors and NEOs for the most recently completed financial year.

Employment, Consulting and Management Agreements

There are no formal, written employment or consulting or management agreements with any NEO or director.

Oversight and Description of Director and NEO Compensation

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board. The Company's executive compensation program is based on comparisons of similar type and size companies. Both individual and corporate performances are also taken into account. As of the date of this Information Circular, the Company's directors have not established any benchmark or performance goals to be achieved or met by the NEOs; however, such NEOs are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Company. Payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth certain information pertaining to the Company's equity compensation plan as at December 31, 2025.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by securityholders	N/A	N/A	N/A
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	N/A	N/A	N/A

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, and no associates or affiliates of any of them, is or has been indebted to the Company or its subsidiaries at any time since the beginning of the Company's last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no insider of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are substantially performed by the Company's directors and executive officers. Other than as set out herein under "Employment, Consulting and Management Contracts", the Company has not entered into any contracts, agreements or arrangements with parties other than its directors and executive officers for the provision of such management functions.

ADDITIONAL INFORMATION

Financial information is provided in the Company's audited annual financial statements and accompanying management's discussion and analysis for December 31, 2025.

Under National Instrument 51-102, *Continuous Disclosure Obligations*, any person or company who wishes to receive financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the person or company is the owner of securities of the Company. Shareholders who wish to receive financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, Odyssey Trust Company. The Company will maintain a supplemental mailing list of persons or companies wishing to receive financial statements.

Shareholders may obtain copies of the Company's financial statements and related MD&A by contacting the Company at 1111 West Hastings, 15th Floor, Vancouver, British Columbia, V6E 2J3. Additional information relating to the Company is available on SEDAR+ at *www.sedarplus.ca*.

GENERAL

Unless otherwise specified, all matters referred to herein for approval by the Shareholders require a simple majority of the Shareholders voting, in person or by proxy, at the Meeting. Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

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

DATED as of the 13th day of November, 2026.

BY THE ORDER OF THE BOARD OF DIRECTORS OF VELOX ENERGY MATERIALS INC.

"Nicole Morcombe"

Nicole Morcombe
Interim President, CEO & Director

SCHEDULE A

VELOX ENERGY MATERIALS INC.
(the "Company") Long-

Term Incentive Plan

SECTION 1 ESTABLISHMENT AND PURPOSE OF THE PLAN

The Company wishes to establish this long-term incentive plan (**"Plan"**). The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company, in each case as applicable to the type of Eligible Person to whom an Award is granted.

This Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options to Eligible Persons, as further described herein.

This Plan and the Restricted Share Units, Performance Share Units, Deferred Share Units, Stock Appreciation Rights and Options issuable under the Plan are subject to Policy 4.4 – *Security Based Compensation* of the TSX Venture Exchange (the "**Policy**").

This Plan is a "**rolling up to 10%**" security based compensation plan, as such term is used in the Policy, permitting outstanding Incentive Securities in a maximum aggregate amount that is equal to ten percent (10%) of the issued and outstanding Shares at the date of any Award.

SECTION 2 DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below:

(a) **"Ancillary Documentation"** means all documentation which the Board specifies in an Invitation that a Participant must enter into and/or provide in connection with an Application for Awards).

(b) **"Application"** means, in respect of an Award, any application required for that Award made by a Participant in response to an Invitation.

(c) **"Application Form"** means an application form attached to, or enclosed with, an Invitation.

(d) **"ASX"** means the ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate;

(e) **"ASX Listing Rules"** means the official listing rules from time to time of the ASX, as amended, modified or waived from time to time, which are applicable while the Company is admitted to the official list of ASX;

(f) **"Award"** means any award of RSUs, PSUs, DSUs, Options or SARs granted under this Plan or, in the case of Options, any pre-existing stock option plan of the Company;

(g) **"Award Agreement"** means any written agreement, contract, or other instrument or document, including an electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under this Plan;

(h) **"Board"** means the board of directors of the Company;

(i) **"Blackout Period"** means 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 publicly undisclosed confidential material information pertaining to the Company;

(j) **"Cessation Date"** means the effective date on which a Participant ceases to be an Eligible Person for any reason;

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

(i) a reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such reorganization, amalgamation, merger, acquisition,

business combination or plan of arrangement do not, following the completion of such reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;

(ii) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;

(iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;

(iv) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or

(v) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

(l) **"Committee"** means such committee of the Board performing functions in respect of compensation as may be determined by the Board from time to time;

(m) **"Company"** means Velox Energy Materials Inc., a company incorporated under the *Business Corporations Act* (British Columbia), and any of its successors;

(n) **"Consultant"** means a "Consultant" as defined in the Policy;

(o) **"Deferred Share Unit"** or **"DSU"** means a right to receive on a deferred basis a payment in Shares as provided in Subsection 5.3 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(p) **"Determination Date"** means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;

(q) **"Director"** means a "Director" as defined in the Policy;

(r) **"Disability"** means any disability with respect to a Participant which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Participant from:

(i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
(ii) acting as a Director or Officer;

(s) **"Discounted Market Price"** means "Discounted Market Price" as defined in Policy 1.1 – *Interpretation* of the TSX Venture Exchange;

(t) **"DSU Payment Date"** has the meaning set out in Subsection 5.3.5;

(u) **"Effective Date"** has the meaning set out in Section 8;

(v) **"Election Form"** means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in DSUs under this Plan;

(w) **"Eligible Person"** means a Director, Officer, Employee, Management Company Employee or Consultant of the Company or a subsidiary of the Company, or an Eligible Charitable Organization;

(x) **"Employee"** means an "Employee" as defined in the Policy;

(y) **"Exchange"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed;

(z) **"Exchange Hold Period"** means "Exchange Hold Period" as defined in Policy 1.1 – *Interpretation* of the TSX Venture Exchange;

(aa) **"Extension Perio**d" has the meaning set out in Section 5.6.7;

(bb) **"Fees"** means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;

(cc) **"Grant Date"** means, for any Award, the date specified in an Award Agreement as the date on which an Award is granted;

(dd) **"Incentive Securities"** means the Options, DSUs, RSUs, PSUs and SARs issuable to any Participant under this Plan or, in the case of Options, any pre-existing stock option plan of the Company;

(ee) **"Insider"** means an "Insider" as defined in Policy 1.1 – *Interpretation* of the TSX Venture Exchange;

(ff) **"Investor Relations Activities"** means "Investor Relations Activities" as defined in Policy 1.1 – *Interpretation* of the TSX Venture Exchange;

(gg) **"Investor Relations Service Provider"** means "Investor Relations Service Provider" as defined in the Policy;

(hh) **"Invitation"** means an invitation to a Participant to apply for the grant of one or more Awards made in accordance with this Plan and in substantially the form of Appendix "A" (Awards) or as otherwise approved by the Board from time to time.

(ii) "**Management Company Employee**" means a "Management Company Employee" as defined in the Policy;

(jj) "**Market Price**" of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of such Exchange;

(kk) "**Officer**" means an "Officer" as defined in the Policy;

(ll) **"Option"** means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing stock option plan of the Company;

(mm) "**Option Plan**" means the Company's Stock Option Plan dated September 21, 2023, as may be amended or restated from time to time;

(nn) **"Participant"** means any Eligible Person to whom Awards are granted;

(oo) **"Participant's Account"** means a notional account maintained for each Participant's participation in this Plan which will show any Incentive Securities credited to a Participant from time to time;

(pp) **"Performance Criteria"** means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the PSUs;

(qq) **"Performance Cycle"** means the applicable performance cycle of the PSUs as may be specified by the Board in the applicable Award Agreement;

(rr) **"Performance Share Unit"** or **"PSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Section 5.2 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(ss) **"Person"** means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;

(tt) **"Restriction Period"** means the time period between the Grant Date and the Vesting Date of an Award of RSUs specified by the Board in the applicable Award Agreement, which is subject to the requirements of this Plan with respect to vesting;

(uu) **"Restricted Share Unit"** or **"RSU"** means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.1 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(vv) **"Retirement"** means retirement from active employment with the Company or a subsidiary of the Company with the consent of an Officer;

(ww) **"Security Based Compensation"** means "Security Based Compensation" as defined in the Policy;

(xx) **"Security Based Compensation Plans"** has the meaning set out in Subsection 4.1.1;

(yy) **"Stock Appreciation Right"** or **"SAR"** means a right awarded to a Participant to receive a payment in Shares as provided in Subsection 5.5 hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;

(zz) **"SAR Amount"** has the meaning set out in Subsection 5.5.3; (aaa)

"SAR Grant Price" has the meaning set out in Subsection 5.5.2;

(bbb) **"Securities Act"** means the *Securities Act* (British Columbia), as amended from time to time;

(ccc) **"Shares"** means the common shares of the Company;

(ddd) **"Trading Day"** means any date on which the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) is open for trading;

(eee) **"Vesting Date"** means, for any Award, the date when the Award is fully vested in accordance with the provisions of this Plan and the applicable Award Agreement; and

(fff) **"VWAP"** means the volume weighted average trading price of the Shares on the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Option, provided that where appropriate, the TSX Venture Exchange (or other Exchange if the Shares are not listed on the TSX Venture Exchange) may exclude internal crosses and certain other special terms trades from the calculation.

SECTION 3 ADMINISTRATION

3.1 BOARD TO ADMINISTER PLAN. Except as otherwise provided herein, this Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan.

3.2 DELEGATION TO COMMITTEE. All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.

3.3 INTERPRETATION. All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company, subject to any required approval of the Exchange.

3.4 NO LIABILITY. No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with this Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this Plan and of the rules and regulations established for administering this Plan. All costs incurred in connection with this Plan shall be for the account of the Company.

SECTION 4 SHARES AVAILABLE FOR AWARDS

4.1 LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.

4.1.1 The maximum aggregate number of Shares issuable in respect of all Incentive Securities granted or issued under this Plan and all of the Company's other previously established or proposed Security Based Compensation plans to which these limitations apply under Exchange policies (collectively, "**Security Based Compensation Plans**"), at any point in time, shall not exceed ten percent (10%) of the total number of issued and outstanding Shares on a non-diluted basis at such point in time.

4.1.2 While the Company is subject to the ASX Listing Rules, for purposes of ASX Listing Rule 7.2 Exception 13, the maximum number of Awards that may be issued under the Plan at any point in time shall be 22,920,585 (subject to adjustment for any reorganisation of capital and to applicable laws and the ASX Listing Rules), or such other number approved by the Company's shareholders. Notwithstanding the foregoing, while the Shares are listed on the TSX Venture Exchange, the aggregate number of Shares issuable under this Plan and all of the Company's other Security Based Compensation Plans shall at all times be subject to, and shall not exceed, the ten percent (10%) rolling limit prescribed by Section 4.1.1 and section 3.1(a) of the Policy. The ASX maximum is an additional limit and does not override any applicable Exchange limit.

4.1.3 The maximum aggregate number of Shares issuable to any one Consultant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.

4.1.4 The maximum aggregate number of Shares issuable to any one Participant in any twelve (12) month period in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed five percent (5%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.

4.1.5 The maximum aggregate number of Shares issuable to all Insiders (as a group) at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis at such point in time, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.

4.1.6 The maximum aggregate number of Shares issuable to all Insiders (as a group) in any twelve (12) month period in respective of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed ten percent (10%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Policy.

4.1.7 Eligible Persons who are Investor Relations Service Providers may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Investor Relations Service Providers in any twelve (12) month period pursuant to the exercise of Options shall not exceed two percent (2%) of the issued and outstanding Shares on a non-diluted basis on the Grant Date.

4.1.8 Eligible Persons who are Eligible Charitable Organizations may only receive Options as Awards under this Plan if the Shares are listed on the TSX Venture Exchange at the time of issuance or grant, and the maximum aggregate number of Shares issuable to all Eligible Charitable Organizations at any point in time in respect of all Incentive Securities granted or issued under Security Based Compensation Plans shall not exceed one percent (1%) of the issued and outstanding Shares on a non-diluted basis at such point in time. Notwithstanding any other provisions of this Plan, Options granted to Eligible Charitable Organizations will not be included in the other limits set out in this Section 4 or elsewhere in this Plan.

4.2 ACCOUNTING FOR AWARDS. The number of Shares underlying an Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting or issuing Awards under this Plan. As this Plan is a "rolling up to 10%" Security Based Compensation plan, as such term is used in the Policy, the number of Incentive Securities issuable under this Plan will replenish in an amount equal to the number of Shares issued pursuant to the exercise or vesting, as applicable, of such Incentive Securities at any point in time. Notwithstanding anything herein to the contrary, (1) any Shares related to Awards which have been settled in cash, cancelled, surrendered, forfeited, expired or otherwise terminated without the issuance of such Shares shall be available again for granting Awards under this Plan; and (2) in the event of Net Exercise, the number of Awards exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the number of Shares available again for granting Awards under this Plan.

4.3 ADJUSTMENTS FOR SHARE SPLITS AND CONSOLIDATIONS. If the number of outstanding Shares is increased or decreased as a result of a Share split or consolidation, the Board may make appropriate adjustments, in accordance with the terms of this Plan, the policies of the Exchange, and applicable laws, to the number and price (or other basis upon which an Award is measured) of Incentive Securities credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under this Plan.

4.4 OTHER ADJUSTMENTS. Any adjustment, other than as noted in section 4.3, to an Award granted or issued under this Plan must be subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, recapitalization, spin-off, dividend or other distribution. Any increase in the number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in section 4.3 or 4.4 is subject to compliance with the limits set out in section 4.1 and, if any increase in the number of Shares underlying outstanding Awards as a result of the adjustment provisions provided in section 4.3 or 4.4 would result in any limit set out in section 4.1 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges, if applicable), make payment in cash to the Participant in lieu of increasing the number of Shares underlying outstanding Awards in order to properly reflect any diminution in value of the underlying Shares as a result of the event that triggers the adjustment.

4.5 VESTING REQUIREMENT. No Award granted or issued under this Plan, other than Options, may vest before the date that is one year following the date it is granted or issued. Notwithstanding this provision, subject to the approval of the Exchange with respect to Awards held by Investor Relations Service Providers, vesting may be accelerated by the Board in its sole discretion for Awards held by a Participant who dies or who ceases to be an Eligible Person under this Plan in connection with a change of control, take-over bid, reverse takeover or other similar transaction as permitted by section 4.6 of the Policy. All Options granted to Investor Relations Service Providers must vest and become exercisable in stages over a period of not less than twelve (12) months, with no more than one-quarter (1/4) of such Options vesting sooner than three (3) months after the Options were granted and no more than another one-quarter (1/4) of the Options becoming exercisable in any following three (3) month period, provided it does

not extend beyond the expiry date of those Awards,.

4.6 OPTION PLAN. As of the Effective Date, Options which are outstanding under the Option Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan, except to the extent that the terms of this Plan are more restrictive than the terms of the Option Plan under which such Options were originally granted, in which case the Option Plan shall govern, provided that any Options granted, issued or amended after November 23, 2021 must comply with the Policy (as at November 24, 2021).

4.7 RESALE RESTRICTIONS. All Incentive Securities shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Incentive Securities and Shares underlying Incentive Securities that are subject to the Exchange Hold Period pursuant to Exchange Policy 1.1 must contain a legend with the Exchange Hold Period commencing on the Grant Date, and the Award Agreement shall contain any applicable resale restriction or Exchange Hold Period.

4.8 BONA FIDE PARTICIPANTS. In respect of Awards granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Participant is representing herein and in the applicable Award Agreement that the Participant is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or a subsidiary of the Company. The execution of an Award Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

4.9 INVITATION.

4.9.1 Following determination that a Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that Participant.

4.9.2 An Invitation to a Participant to apply for Awards may be made on such terms and conditions as the Board decides from time to time, including as to:

(a) the number of Awards for which that Participant may apply;

(b) the date of grant;

(c) the amount payable (if any) for the grant of each Award or how such amount is calculated;

(d) the exercise price (if any);

(e) the vesting conditions (if any);

(f) disposal restrictions attaching to the Shares issued upon exercise of Awards (if any); and

(g) any other supplementary terms and conditions, including those required under Applicable Laws.

4.9.3

An Invitation to a Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

SECTION 5. AWARDS

5.1 RESTRICTED SHARE UNITS

5.1.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of RSUs to Eligible Persons. RSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each RSU shall, contingent upon the lapse of any restrictions, represent one
(1) Share, unless otherwise specified in the applicable Award Agreement. The number of RSUs granted pursuant to an Award and the Restriction Period in respect of such RSUs shall be specified in the applicable Award Agreement.

5.1.2 RESTRICTIONS. RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.

5.1.3 VESTING. All RSUs will vest and become payable by the issuance of Shares at the end of the Restriction Period if all applicable restrictions have lapsed, as such restrictions may be specified in the Award Agreement.

5.1.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant and will accrue to the Participant in accordance with Subsection 5.1.9, provided that no acceleration of vesting of RSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such RSUs unless the Participant has died or ceases to be an Eligible Person in connection with such Change of Control, in each case as permitted by Section 4.5 and section 4.6 of the Policy.

5.1.5 DEATH. Other than as may be set forth in the applicable Award Agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant's estate in accordance with Subsection 5.1.9 hereof.

5.1.6 TERMINATION OF EMPLOYMENT OR SERVICE.

(a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant’s consulting agreement is terminated as a result of the Participant's breach, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.

(b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant’s consulting agreement is terminated for a reason other than the Participant’s breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant which, prior to the

Participant's termination without cause, voluntary termination, Retirement or breach of agreement, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

5.1.7 DISABILITY. Where a Participant becomes afflicted by a Disability, all RSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such RSUs, provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all RSUs granted to the Participant under this Plan that have not vested will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board, provided, however, that any RSUs granted to such Participant that, prior to the Participant's termination due to Disability, had vested pursuant to term of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

5.1.8 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any RSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that any RSUs granted to such Participant which, prior to the Cessation Date for any reason, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant in accordance with Subsection 5.1.9 hereof.

5.1.9 PAYMENT OF AWARD. As soon as practicable after each Vesting Date of an Award of RSUs, and subject to the applicable Award Agreement, the Company shall issue from treasury to the Participant, or if Subsection 5.1.5 applies, to the Participant's estate, a number of Shares equal to the number of RSUs credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the RSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan in relation to such RSUs. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement.

5.2 PERFORMANCE SHARE UNITS

5.2.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of PSUs to Eligible Persons. PSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of PSUs to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with this Plan. Each PSU shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share, unless otherwise specified in the applicable Award Agreement. The number of PSUs granted pursuant to an Award, the Performance Criteria that must be satisfied in order for the PSUs to vest and the Performance Cycle in respect of such PSUs shall be specified in the applicable Award Agreement.

5.2.2 PERFORMANCE CRITERIA. The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the original Performance Criteria unfair or inappropriate unless a revision is made. Notices will be provided by the Company to the Exchange, if required, with respect to the foregoing.

5.2.3 VESTING. All PSUs will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which shall be made by the Board on the Determination Date.

5.2.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and shall become payable to the Participant in accordance with Subsection 5.2.9 hereof, provided that no acceleration of vesting of PSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such PSUs unless the Participant has died or ceases to be an Eligible Person in connection with such Change

of Control, in each case as permitted by Section 4.5 and section 4.6 of the Policy.

5.2.5 DEATH. Other than as may be set forth in the applicable Award Agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

5.2.6 TERMINATION OF EMPLOYMENT OR SERVICE.

(a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, all PSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the date of termination determined by the Board.

(b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant which, prior to the Participant's termination, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

5.2.7 DISABILITY. Where a Participant becomes afflicted by a Disability, all PSUs granted to the Participant under this Plan will continue to vest in accordance with the terms of such PSUs, provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, all PSUs granted to the Participant under this Plan that have not vested will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant shall have no right, title or interest therein whatsoever as of the date of termination determined by the Board, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

5.2.8 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any PSUs granted to the Participant under this Plan that have not yet vested will, unless the applicable Award Agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Cessation Date, provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The PSUs that the Board determines to have vested shall become payable in accordance with Subsection 5.2.9 hereof.

5.2.9 PAYMENT OF AWARD. Subject to the applicable Award Agreement, payment to Participants in respect of vested PSUs shall be made after the Determination Date for the applicable Award and in any case within ninety (90) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares, unless otherwise provided for in the applicable Award Agreement. The Company shall issue from treasury to the Participant, or if Subsection 5.2.5 applies, to the Participant's estate, a number of Shares equal to the number of PSUs that have vested. As of the Vesting Date, the PSUs in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under this Plan

in relation to such PSUs.

5.2.10 PERFORMANCE EVALUATION; ADJUSTMENT OF GOALS. At the time that a PSU is first issued, the Board, in the Award Agreement or in another written document, may specify whether performance will be evaluated including or excluding the effect of any of the following events that occur during the Performance Cycle or Restriction Period, as the case may be: (A) judgments entered or settlements reached in litigation; (B) the write down of assets; (C) the impact of any reorganization or restructuring; (D) the impact of changes in tax laws, accounting principles, regulatory actions or other laws affecting reported results; (E) extraordinary non-recurring items as may be described in the Company's management's discussion and analysis of financial condition and results of operations for the applicable financial year; (F) the impact of any mergers, acquisitions, spin-offs or other divestitures; (G) foreign exchange gains and losses; and (H) other extraordinary events having a similar impact on a Participant's ability to satisfy Performance Criteria, as determined in the discretion of the Board.

5.2.11 ADJUSTMENT OF PERFORMANCE SHARE UNITS. The Board shall have the sole discretion to adjust the determination of the degree of attainment of the pre-established Performance Criteria or restrictions, as the case may be, as may be set out in the applicable Award Agreement governing the relevant PSU. Notwithstanding any provision herein to the contrary, the Board may not make any adjustment or take any other action with respect to any PSU that will increase the amount payable under any such PSU. The Board shall retain the sole discretion to adjust PSUs downward or to otherwise reduce the amount payable with respect to any Award of PSUs.

5.3 DEFERRED SHARE UNITS

5.3.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of DSUs to Eligible Persons. DSUs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each DSU shall, contingent upon the occurrence of the applicable vesting criteria, represent one (1) Share. The number of DSUs granted pursuant to an Award and the vesting criteria in respect of such DSUs shall be specified in the applicable Award Agreement.

5.3.2 ELECTION BY DIRECTORS. Each Director may elect to receive any part or all of his or her Fees in DSUs under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in DSUs shall be made no later than 90 days after this Plan is adopted by the Board, and thereafter no later than December 31 of any given year with respect to Fees for the following year. Any Director who becomes a Participant during a fiscal year and wishes to receive an amount of his or her Fees for the remainder of that year in DSUs must make his or her election within 60 days of becoming a Director.

5.3.3 CALCULATION. In the case of an election by a Director, the number of DSUs credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by the Director in the applicable Election Form by the DSU conversion price determined by the Board for the Grant Date, which conversion price shall not be less than the Discounted Market Price of the Shares on the Grant Date, in accordance with section 4.9 of the Policy. The Board may apply a trading price or range appropriate to the period for which the Fees were earned only to the extent that the resulting conversion price is not less than the Discounted Market Price on the Grant Date and otherwise complies with Exchange requirements. Any fractional DSU resulting from the calculation shall be rounded down to the nearest whole DSU, with no payment or adjustment for the fraction.

5.3.4 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all DSUs granted to a Participant shall become fully vested in such Participant and shall become payable to the Participant in accordance with Subsection 5.3.5 5.3.5 hereof, provided that no acceleration of vesting of DSUs upon a Change of Control can occur prior to the date that is one year from the date of grant of such DSUs unless the Participant ceases to be an Eligible Person in connection with such Change of Control or the Participant dies.

5.3.5 PAYMENT OF AWARD. Following the Cessation Date, each Participant shall be entitled to receive one Share for each vested DSU credited to the Participant's Account, such Shares to be issued from treasury of the Company. Payment shall be made on a date determined by the Board (the "DSU Payment Date"), which shall be no later than twelve (12) months following the Cessation Date, subject to any earlier settlement permitted under this Plan and the applicable Award Agreement.

5.3.6 DEATH. Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, such Shares that would have otherwise been payable in accordance with Subsection 5.3.5 hereof to the Participant upon such Participant ceasing to be an Eligible Person.

5.4 OPTIONS

5.4.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Options to Eligible Persons. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. Each vested Option shall represent the right to purchase one (1) Share in accordance with its terms and the terms of this Plan. The number of Options granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.4.2 EXERCISE PRICE. The exercise price of the Options shall be determined by the Board at the time the Option is granted. In no event shall such exercise price be lower than the discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. The Board shall not reprice any Options granted under this Plan, except in accordance with the rules and policies of the Exchange, provided that while the Company is subject to the ASX Listing Rules, it will not reduce the exercise price or increase the exercise period of any options. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any extension or reduction in the exercise price of Options granted to any Participant if the Participant is an Insider at the time of the proposed reduction or extension.

5.4.3 TIME AND CONDITIONS OF EXERCISE. The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. In the case of an Option granted to an Eligible Charitable Organization, such Option must be exercised on or before the earlier of (a) ten years from the date of grant;(b) the 90th day following the date that the holder ceases to be an Eligible Charitable Organization and (c) the applicable expiry date. The Board shall also determine the vesting, performance and/or other conditions, if any, that must be satisfied before all or part of an Option may be exercised. Vesting provisions applied to Options granted to Participants who are Investor Relations Service Providers must be in compliance with Section 4.5.

5.4.4 EVIDENCE OF GRANT. All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.

5.4.5 EXERCISE. The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall, subject to Subsections 5.4.5(a) and (b), be accompanied by a cheque, bank draft or other method of cash payment as is acceptable to the Company for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice and payment. Neither the Participants nor their legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to Options under this Plan are issued to such Participants under the terms of this Plan. Notwithstanding the foregoing methods of Option exercise, the Committee may, in its sole discretion, permit the exercise of an Option through either:

(a) a cashless exercise ("**Cashless Exercise**") mechanism, whereby the Company has

an arrangement with a brokerage firm pursuant to which the brokerage firm:

(i) agrees to loan money to a Participant to purchase the Shares underlying the Options to be exercised by the Participant;

(ii) then sells a sufficient number of Shares to cover the exercise price of the Options in order to repay the loan made to the Participant; and

(iii) receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of Shares pursuant to such exercise, or the cash proceeds from the sale of the balance of such Shares (or in such other portion of Shares and cash as the broker and Participant may otherwise agree); or

(b) a net exercise ("**Net Exercise**") mechanism, whereby Options, excluding Options held by any Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Shares that is equal to the quotient obtained by dividing:

(i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by

(ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits set forth in section 4.1.

5.4.6 CHANGE OF CONTROL. In the event of a Change of Control, and subject to compliance with the rules of any applicable Exchange, each outstanding Option, to the extent that it has not otherwise become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any other applicable vesting requirement, subject to the Policy. For greater certainty, any acceleration of vesting of Options held by a Participant who is a Investor Relations Servicer Provider is subject to prior Exchange acceptance. Notwithstanding anything to the contrary, Options granted to Investor Relations Service Providers shall not be accelerated without prior written acceptance of the Exchange.

5.4.7 DEATH. Where a Participant shall die, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.

5.4.8 TERMINATION OF EMPLOYMENT OR SERVICE.

(a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no Option held by such Participant shall be exercisable from the date of termination determined by the Board.

(b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any

event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.

(c) Where a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, unless the applicable Award Agreement provides otherwise and subject to the provisions below, any Option held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of termination determined by the Board.

5.4.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Option held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the Cessation Date) or prior to the expiration of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option as of the Cessation Date.

5.5 STOCK APPRECIATION RIGHTS

5.5.1 ELIGIBILITY AND PARTICIPATION. Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of SARs to Eligible Persons. SARs granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of SARs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan. The number of SARs granted pursuant to an Award shall be specified in the applicable Award Agreement.

5.5.2 SAR GRANT PRICE. The exercise price of the SAR (the **"SAR Grant Price")** shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the discounted Market Price permitted by the Exchange, which shall be the Discounted Market Price if the Shares are listed on the TSX Venture Exchange at the time of grant. The Board shall not reprice the SAR Grant Price of any SAR granted under this Plan, except in accordance with the rules and policies of the Exchange. For greater certainty, the Company will be required to obtain disinterested shareholder approval in accordance with the Policy in respect of any reduction in the SAR Grant Price applicable to SARs granted to any Participant if the Participant is an Insider at the time of the proposed reduction.

5.5.3 PAYMENT.

(a) Subject to the provisions hereof, a SAR is the right to receive a payment in Shares equal to the excess, if any, of:

(i) the Market Price at the date such SAR is exercised; *over*

(ii) the SAR Grant Price,

multiplied by the number of Shares in respect of which the SAR is being exercised (less any amount required to be withheld for taxes by applicable law) (the **"SAR Amount"**).

(b) For greater clarity, the actual number of Shares to be granted to the Participant pursuant to Subsection 5.5.3(a) shall be equal to the aggregate SAR Amount divided by the Market Price at the time of exercise.

(c) Notwithstanding the foregoing, in the sole discretion of the Board, the Award Agreement may provide that the Company may elect to satisfy the exercise of a SAR (in whole or in part) by paying to the Participant cash in an amount equal to the SAR Amount in lieu of Shares.

5.5.4 TERMS OF SARs. SARs shall be granted on such terms as shall be determined by the Board and set out in the Award Agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten (10) years.

5.5.5 EXERCISE. The exercise of any SAR will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the SAR is being exercised. If the Participant is to receive Shares, certificates for such Shares shall be issued and delivered to the Participant within a reasonable time following the receipt of such notice. Neither the Participant nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the Shares issuable pursuant to SARs under this Plan are issued to such Participant under the terms of this Plan

5.5.6 CHANGE OF CONTROL. Unless otherwise determined by the Board, in the event of a Change of Control, all SAR's granted to a Participant shall become fully vested in such Participant and shall become exercisable by the Participant in accordance with Subsection 5.5.5 hereof, provided that no acceleration of vesting of SARs upon a Change of Control can occur prior to the date that is one year from the date of grant of such SARs unless the Participant has died or ceases to be an Eligible Person in connection with such Change of Control, in each case as permitted by Section 4.5 and section 4.6 of the Policy.

5.5.7 DEATH. Where a Participant shall die while holding a SAR, any SAR held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the SAR shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of death of such Participant.

5.5.8 TERMINATION OF EMPLOYMENT OR SERVICE.

(a) Where a Participant's employment is terminated by the Company or a subsidiary of the Company for cause, or where a Participant's consulting agreement is terminated as a result of the Participant's breach, no SAR held by such Participant shall be exercisable from the date of termination determined by the Board.

(b) Where a Participant's employment is terminated by the Company or a subsidiary of the Company without cause, by voluntary termination or due to Retirement by the Participant, or where a Participant's consulting agreement is terminated for a reason other than the Participant's breach, any SAR held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the date of termination determined by the Board (subject to any

longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

(c) Where a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs. Where a Participant's employment or consulting agreement with the Company or a subsidiary of the Company is terminated due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the date of termination determined by the Board (subject to any longer period set out in the applicable Award Agreement, which period shall not, in any event, exceed twelve (12) months from the date of termination determined by the Board) or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR at the date of termination determined by the Board.

5.5.9 CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any SAR held by such Participant at such time shall, subject to the applicable Award Agreement and the provisions below, remain exercisable in full at any time, and in part from time to time, for a period of 90 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date. Where, in the case of Directors, a Participant becomes afflicted by a Disability, all SARs granted to the Participant under this Plan will continue to vest in accordance with the terms of such SARs, provided that if a Participant ceases to be a Director due to Disability, subject to the applicable Award Agreement, any SAR held by such Participant shall remain exercisable for a period of 120 days after the Cessation Date or prior to the expiration of the exercise period in respect of the SAR, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the SAR as of the Cessation Date.

5.6 GENERAL TERMS APPLICABLE TO AWARDS

5.6.1 FORFEITURE EVENTS. The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

5.6.2 AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER. Without limiting Subsection 5.5, Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

5.6.3 NON-TRANSFERABILITY OF AWARDS. No Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant. otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company. The Company does not intend to make Awards assignable or transferable, except where required by law or in certain estate proceedings described herein.

5.6.4 CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS. The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its sole discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or

repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law;
(B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participant; (C) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

5.6.5 SHARE CERTIFICATES. All Shares delivered under this Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under this Plan or the rules , regulations, and other requirements of any securities commission, the Exchange, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

5.6.6 CONFORMITY TO PLAN. In the event that an Award is granted which does not conform in all particulars with the provisions of this Plan, or purports to grant an Award on terms different from those set out in this Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted by the Board to become, in all respects, in conformity with this Plan.

5.6.6 POST-CESSATION EXPIRY. Notwithstanding any other provision of this Plan or any Award Agreement, any Award held by a Participant who ceases to be an Eligible Person shall expire, be exercised or be settled, as applicable, no later than twelve (12) months following the Cessation Date, subject to any earlier expiry or settlement requirements under this Plan or the Policy.

5.6.7 BLACKOUT EXTENSION. If the expiry, exercise, redemption or settlement date of an Award falls during a Blackout Period formally imposed by the Company pursuant to its internal trading policies because of the bona fide existence of undisclosed material information, that date shall automatically be extended to the date that is ten (10) business days following the end of such Blackout Period (the "Extension Period"), provided that: (a) the Blackout Period ends following general disclosure of the relevant undisclosed material information; (b) neither the Company nor the applicable Participant is subject to a cease trade order or similar order under applicable securities laws; (c) the extension is available on the same terms to all eligible Participants; (d) the extension does not exceed the limits of Section 5.6.6 or any other mandatory expiry limit under the Policy; and (e) the extension is otherwise permitted by the Policy and applicable Exchange requirements. No extension shall apply in the absence of a formally imposed Blackout Period. A subsequent Blackout Period shall not result in an extension beyond the foregoing limits.

SECTION 6 AMENDMENT AND TERMINATION

6.1 SHAREHOLDER APPROVAL OF PLAN. This Plan is subject to annual shareholder approval in accordance with the Policy. The initial shareholder approval requirements and related matters are set out in section 8.1 of this Plan.

6.2 AMENDMENTS AND TERMINATION OF THIS PLAN. The Board may at any time or from time to time, in its sole and absolute discretion, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or Exchange, and (b) any required approval of shareholders of the Company in accordance with the Policy or applicable law. Without limitation, shareholder approval shall not be required for the following amendments:

6.2.1 amendments to fix typographical errors;

6.2.2 amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions;

If this Plan is terminated, Awards granted or issued prior to the date of termination shall remain outstanding and in effect in accordance with their applicable terms and conditions.

6.3 AMENDMENTS TO AWARDS. Subject to applicable laws, the Policy, prior Exchange acceptance where required, shareholder approval where required, and disinterested shareholder approval where applicable, the Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

SECTION 7 GENERAL PROVISIONS

7.1 NO RIGHTS TO AWARDS. No Eligible Person shall have any claim to be granted any Award under this Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Eligible Persons under this Plan. The terms and conditions of Awards need not be the same with respect to each recipient, subject to compliance with the terms of this Plan and the Policy.

7.2 WITHHOLDING. The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under this Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under this Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes. Without in any way limiting the generality of the foregoing, whenever cash is to be paid on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on the redemption, exercise or vesting of an Award, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement.

7.2.1 electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or

7.2.2 delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker

approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

For greater certainty, the application of this Section 7.2 to any payment due or transfer made under any Award or under this Plan shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 7.2 if required pursuant to such policies.

7.3 NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS. Subject to compliance with the Policy if the Shares are listed on the TSX Venture Exchange and compliance with the applicable limitations set out Section 4.1, nothing contained in this Plan shall prevent the Company or a subsidiary of the Company from adopting or continuing in effect other security-based compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

7.4 NO RIGHT TO EMPLOYMENT. The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under this Plan, unless otherwise expressly provided in this Plan or in any Award Agreement.

7.5 NO RIGHT AS SHAREHOLDER. Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholders in respect of any Shares covered by such Participant's Award, until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.

7.6 CURRENCY. Unless expressly stated otherwise, all dollars amounts in this Plan are in Canadian dollars.

7.7 GOVERNING LAW. This Plan and all of the rights and obligations arising here from shall be interpreted and applied in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

7.8 SEVERABILITY. If any provision of this Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify this Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of this Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of this Plan and any such Award shall remain in full force and effect.

7.9 NO TRUST OR FUND CREATED. Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.

7.10 NO FRACTIONAL SHARES. No fractional Shares shall be issued or delivered pursuant to this Plan or any Award, and the Board shall determine whether cash, or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.

7.11 HEADINGS. Headings are given to the Sections and Subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

7.12 NO REPRESENTATION OR WARRANTY. The Company makes no representation or warranty as to the value of any Award granted pursuant to this Plan or as to the future value of any Shares issued pursuant to any Award.

7.13 NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION. Although the Company may, in its discretion, endeavor to (i) qualify an Award for favourable Canadian

tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under this Plan.

7.14 CONFLICT WITH AWARD AGREEMENT. In the event of any inconsistency or conflict between the provisions of this Plan and an Award Agreement, the provisions of this Plan shall govern for all purposes.

7.15 COMPLIANCE WITH LAWS. The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

7.15.1 obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and

7.15.2 completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

SECTION 8 EFFECTIVE DATE OF THIS PLAN AND SHAREHOLDER APPROVAL

8.1 EFFECTIVE DATE AND SHAREHOLDER APPROVAL. This Plan shall become effective upon the date (the **"Effective Date")** of approval by the Board and will remain subject to shareholder approval and Exchange approval, provided that, if the Company grants or issues Awards under this Plan that it would not otherwise be permitted to grant under its existing Option Plan prior to the requisite shareholder approval for this Plan having been obtained, the Company must also obtain specific (and separate) shareholder approval for such grants or issuances. If shareholder approval for this Plan is obtained after the Effective Date, no right under any Award (other than an Option, which was or could have been granted under the Option Plan) that is granted or issued under this Plan prior to such shareholder approval may vest or be exercised, as applicable, before the date of the shareholders' meeting held to approve this Plan and such grants or issuances (as applicable). The requisite shareholder approvals must be obtained in accordance with the Policy and, if the requisite shareholder approvals are not obtained, this Plan and all Awards granted hereunder (other than Options, which were or could have been granted under the Option Plan), will terminate.

SCHEDULE B

VELOX ENERGY MATERIALS INC.

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Velox Energy Materials Inc. (the "**Corporation**") is appointed by the Board to assist the Corporation and the Board in fulfilling their respective obligations relating to the integrity of the internal financial controls and financial accounting and reporting of the Corporation.

Composition

1. The Committee shall be composed of three or more directors, as designated by the Board from time to time.

2. The Chair of the Committee (the "**Chair**") shall be designated by the Board or the Committee from among the members of the Committee.

3. The Committee shall comply with all applicable securities laws, instruments, rules and policies and regulatory requirements (collectively "**Applicable Laws**"), including those relating to composition, independence and financial literacy. The Chair of the Committee shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* and financially literate within the meaning of Applicable Laws.

4. Each member of the Committee shall be appointed by, and serve at the pleasure of, the Board. The Board may fill vacancies in the Committee by appointment from among the members of the Board.

Meetings

5. The Committee shall meet at least quarterly in each financial year of the Corporation. The Committee shall meet otherwise at the discretion of the Chair, or a majority of the members of the Committee, or as may be required by Applicable Laws.

6. A majority of the members of the Committee shall constitute a quorum.

7. If and whenever a vacancy shall exist in the Committee, the remaining members of the Committee may exercise all powers and responsibilities of the Committee so long as a quorum remains in office. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

8. The Committee shall hold an *in camera* session without any officer's present at each meeting of the Committee, unless such a session is not considered necessary by the members present.

9. The time and place at which meetings of the Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the

Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other electronic communication at least 48 hours prior to the time of the meeting. However, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference or other communication equipment, or if those absent waive notice or otherwise signify their consent to the holding of such meeting.

10. Members may participate in a meeting of the Committee by means of telephone, web conference or other communication equipment.

11. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside. The Chair (or other Committee member, as applicable) presiding at any meeting shall not have a casting vote.

12. The Committee shall keep minutes of all meetings, which shall be available for review by the Board.

13. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.

14. The Committee may invite such other directors, officers and employees of the Corporation and such other advisors and persons as is considered advisable to attend any meeting of the Committee. For greater certainty, the Committee shall have the right to determine who shall, and who shall not, be present at any time during a meeting of the Committee.

15. Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts, by facsimile or other electronic signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose. In case of an equality of votes, the matter will be referred to the Board for decision.

16. The Committee shall report its determinations and recommendations to the Board.

Resources and Authority

17. The Committee has the authority to:

    (a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as is considered advisable;

    (b) determine and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;

    (c) communicate directly with the independent auditor of the Corporation (the "**Independent Auditor**");

    (d) conduct any investigation considered appropriate by the Committee;

(e) request the Independent Auditor, any officer or other employee of, or outside counsel for, the Corporation to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee; and

(f) have unrestricted access to the books and records of the Corporation.

Responsibilities

Financial Accounting, Internal Controls and Reporting Process

18. The Committee is responsible for:

(a) reviewing any management report on, and assessing the integrity of, the internal controls over the financial reporting of the Corporation and monitoring the proper implementation of such controls;

(b) reviewing and reporting to the Board on, or if mandated by the Board, approving the quarterly unaudited financial statements, management's discussion and analysis (the "**MD&A**"), press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(c) reviewing and reporting to the Board on the annual audited financial statements, the MD&A, press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(d) monitoring the conduct of the audit function;

(e) discussing and meeting with, when considered advisable to do so and in any event no less frequently than annually, the Independent Auditor, the Chief Financial Officer (the "**CFO**") and any other officer or other employee of the Corporation which the Committee wishes to meet with, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee considers appropriate; and

(f) reviewing any post-audit or management letter containing the recommendations of the Independent Auditor and management's response thereto and monitoring the subsequent follow-up to any identified weaknesses.

Public Disclosure

19. The Committee shall:

(a) review the quarterly and annual financial statements, the related MD&A, quarterly and annual financial reporting press releases and any other public disclosure documents that are required to be reviewed by the Committee pursuant to Applicable Laws;

(b) review and discuss with officers of the Corporation any guidance being provided on the expected future results and financial performance of the Corporation and provide its recommendations on such guidance to the Board; and

(c) review from time to time the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures.

Risk Management

20. The Committee should inquire of the officers and the Independent Auditor as to the significant risks or exposures, both internal and external, to which the Corporation is subject, and review the actions which the officers have taken to minimize such risks. In conjunction with the Board, the Committee should annually review the financial risks associated with the directors' and officers' third-party liability insurance and other insurance of the Corporation.

Corporate Conduct

21. The Committee should ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.

22. The Committee should establish procedures for:

(a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters; and

(b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Independent Auditor

23. The Committee shall recommend to the Board, for appointment by shareholders, a firm of external auditors to act as the Independent Auditor and shall monitor the independence and performance of the Independent Auditor. The Committee shall arrange and attend, as considered appropriate and at least annually, a private meeting with the Independent Auditor, shall review and approve the remuneration of such Independent Auditor and shall ensure that the Independent Auditor reports directly to the Committee.

24. The Committee shall ensure that the lead audit partner at the Independent Auditor is changed every seven years.

25. The Committee should resolve any otherwise unresolved disagreements between the officers of the Corporation and the Independent Auditor regarding the internal controls or financial reporting of the Corporation.

26. The Committee should pre-approve all audit and non-audit services not prohibited by law, including Applicable Laws, to be provided by the Independent Auditor. The Chair may, and is authorized to, pre-approve non-audit services provided by the Independent Auditor up to a maximum amount of $25,000 per engagement.

27. The Committee should review the audit plan of the Independent Auditor, including the scope, procedures and timing of the audit.

28. The Committee should review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit.

29. The Committee should obtain timely reports from the Independent Auditor describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information in accordance with International Financial Reporting Standards that were discussed with the CFO, the ramifications thereof and the Independent Auditor's preferred treatment and should review any material written communications between the Corporation and the Independent Auditor.

30. The Committee should review the fees paid by the Corporation to the Independent Auditor and any other professionals in respect of audit and non-audit services on an annual basis.

31. The Committee should monitor and assess the relationship between the officers of the Corporation and the Independent Auditor and monitor the independence and objectivity of the Independent Auditor.

32. The Committee shall have the authority to engage the Independent Auditor to review the unaudited interim financial statements of the Corporation.

Other Responsibilities

33. The Committee should review and assess from time to time the adequacy of this mandate and submit any proposed amendments to the Board for consideration.

34. The Committee should perform any other activities consistent with this mandate and Applicable Laws as the Committee or the Board considers advisable.

Policy history

Established:	October 19, 2026
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Review frequency:	Annually