



**Notice of Meeting and Information Circular  
in respect of the Annual General Meeting of Shareholders  
to be held on June 17, 2021**

**April 30, 2021**

**EASTERN PLATINUM LIMITED  
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JUNE 17, 2021**

**Important Notice Regarding the Availability of Proxy Materials for EASTERN PLATINUM LIMITED, Annual General Meeting to be held at #1080-1188 West Georgia Street, Vancouver, BC V6E 4A2 on June 17, 2021 at 10:00am Pacific Time**

You are receiving this notice to advise that the proxy materials for the above noted securityholders' meeting are available on the Internet. This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We remind you to access and review all of the important information contained in the information circular and other proxy materials before voting. The information circular and other relevant materials are available at:

<https://eastplats.com/investors-2/agm/> OR [www.sedar.com](http://www.sedar.com)

## **Obtaining a Copy of the Proxy Materials**

If you would like to receive a paper copy of the current meeting materials by mail, you must request one. There is no charge to you for requesting a copy.

Call us Toll Free at 1-877-631-0967 or call our office at (604) 800 – 8200 to request a paper copy of the materials for the current meeting.

To ensure you receive the material in advance of the voting deadline and meeting date, all requests must be received by us no later than, May 31, 2021 to ensure timely receipt. If you do request the current materials, please note that another Voting Instruction Form/Proxy will not be sent; please retain your current one for voting purposes.

To obtain paper copies of the materials after the meeting date, please contact the Company at suite 1080-1188 West Georgia Street, Vancouver, BC V6E 4A2 or by telephone at 604-800-8200.

**PLEASE NOTE – YOU CANNOT VOTE BY RETURNING THIS NOTICE.** To vote your securities you must vote online at [www.investorvote.com](http://www.investorvote.com), or by telephone: 1-866-732-VOTE (8683) or by mailing the enclosed Proxy for receipt to Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 before June 15, 2021 by 10:00 a.m. PDT.

If you are a non-registered shareholder of the Company, please complete and return the voting instruction form (or other accompanying form) in accordance with the instructions thereon for completion and deposit.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain Shareholders with the notice package.

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of Eastern Platinum Limited (the “**Company**”) will be held at the offices of #1080-1188 West Georgia Street, Vancouver, BC V6E 4A2, on Thursday, June 17, 2021 at 10:00 a.m. Pacific Time (7:00 pm South African time) for the following purposes:

1. to receive the financial statements of the Company for the year ended December 31, 2020 together with the report of the Company’s auditor thereon;
2. to set the number of directors of the Company at five;
3. to elect the directors of the Company for the ensuing year;
4. to appoint PricewaterhouseCoopers LLP as Auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Shareholders should refer to the management information circular (the “**Information Circular**”) available on SEDAR at [www.sedar.com](http://www.sedar.com) for more detailed information with respect to the matters to be considered at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of the Meeting is April 30, 2021 for Shareholders on the Canadian register and April 30, 2021 for Shareholders on the South African register. The record date for the determination of Shareholders entitled to vote is April 30, 2021 for Shareholders on the Canadian register and June 11 2021 for Shareholders on the South African register. Shareholders of record on the Canadian register at the close of business on April 30, 2021 are entitled to notice of the Meeting and to vote thereat and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held. Shareholders of record on the South African register at close of business on June 11, 2021 are entitled to vote at the Meeting and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held. The last day to trade for Shareholders on the South African register to be Shareholders of record on the South African register is June 8, 2021.

**DUE TO THE ONGOING CONCERNS RELATED TO THE SPREAD OF THE CORONAVIRUS (COVID-19) AND IN ORDER TO PROTECT THE HEALTH AND SAFETY OF SHAREHOLDERS, EMPLOYEES, OTHER STAKEHOLDERS AND THE COMMUNITY, THE BOARD OF DIRECTORS AND MANAGEMENT REQUEST ALL SHAREHOLDERS TO VOTE BY PROXY AND NOT ATTEND THE MEETING IN PERSON. THE CONFERENCE NUMBER IS PROVIDED BELOW AND IT ENABLES SHAREHOLDERS TO PARTICIPATE IN A VOICE ONLY CONFERENCE CALL.** Dial-in Toll free: 1-866-830-9434 Participant Code: 8501157

**TO LOOK UP OTHER LOCATIONS:**

<http://www.meetingconnect.net/l/dial-in-number-lookup.php>

**A Shareholder not attending the Meeting may be represented by proxy. If you are a registered Shareholder on the Canadian register, please date and execute the accompanying form of proxy and return it in the envelope provided to: Computershare Trust Company of Canada, the registrar and transfer agent of the Company, by mail at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or hand delivered to 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.**

In order to be valid and acted upon at the Meeting, Shareholders on the Canadian register must deposit their forms of proxy with Computershare Trust Company of Canada not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or adjournments thereof. Proxies may also be voted by telephone, fax or on the internet as detailed on the proxy form.

**If you are not a registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.**

**The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to act for such Shareholder and on such Shareholder’s behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder’s appointee should be legibly printed in the blank space provided.**

Certificated Shareholders and own-name registered dematerialised Shareholders on the South African register must send their signed form of proxy to the Company’s South African transfer secretaries, JSE Investor Services Pty Limited, 13th Floor, 19 Ameshoff Street, corner Biccard Street, Braamfontein, Johannesburg, 2001, South Africa (PO Box 4844, Johannesburg, 2000), to be received by them not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting and any adjournment or adjournments thereof.

Dematerialised Shareholders on the South African register, other than own-name registered Shareholders, who wish to attend the Meeting in person will need to request their Central Securities Depository Participant (“**CSDP**”) or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholder and their CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are not attending the Meeting and who wish to be represented thereat must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such Shareholder and their CSDP or broker in the manner and time stipulated therein.

Proxies may also be voted by telephone or on the internet as detailed on the proxy form.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“George Dorin”*

George Dorin  
Chairman

April 30, 2021

**INFORMATION CIRCULAR**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON JUNE 17, 2021**

**PROXY SOLICITATION MATTERS**

**Purpose of Solicitation**

**This management information circular (this “Information Circular”) is furnished in connection with the solicitation of proxies by the management of Eastern Platinum Limited (“Eastplats” or the “Company”) for use at the annual general meeting (the “Meeting”) of the holders (the “Shareholders”) of common shares of Eastplats (the “Common Shares”).**

The Meeting will be held at the Company, #1080-1188 West Georgia Street, Vancouver, BC V6E 4A2, on Thursday, June 17, 2021 at 10:00 a.m. in Vancouver (7:00 pm South African time) and at any adjournments thereof for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”). Information contained herein is given as of April 30, 2021 unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile, other electronic means or in person by directors, officers and employees of the Company who will not be additionally compensated. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such shares. The costs of soliciting proxies will be borne by Eastplats.

**Appointment and Revocation of Proxies**

Enclosed herewith is a form of proxy for use at the Meeting. **The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a person or company, other than the person or company designated in the form of proxy, who need not be a Shareholder, to represent the Shareholder at the Meeting, including to attend and to act for such Shareholder and on such Shareholder’s behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder’s appointee should be legibly printed in the blank space provided.**

A form of proxy will not be valid for use at the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. In order for the form of proxy to be acted upon, Shareholders on the Canadian register must deposit the form of proxy with Computershare Trust Company of Canada, the registrar and transfer agent of the Common Shares, by mail at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or hand delivered to 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment or adjournments thereof. Proxies may also be voted by telephone, fax or on the internet as detailed on the proxy form.

Certificated Shareholders and own-named registered dematerialised Shareholders on the South African register must send their signed form of proxy to the Company’s South African transfer secretaries, JSE Investor Services Pty Limited, 13<sup>th</sup> Floor, 19 Ameshoff Street, corner Biccard Street, Braamfontein, Johannesburg, 2001, South Africa (PO Box 4844, Johannesburg, 2000), to be received by them by not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting and any adjournment or adjournments thereof in order for the proxy to be acted on.

Dematerialised Shareholders on the South African register, other than own-name registered dematerialised Shareholders, who wish to attend the Meeting in person will need to request their Central Securities Depository Participant (“**CSDP**”) or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such Shareholder and their CSDP or broker. Dematerialised Shareholders, other than own-name registered dematerialised Shareholders, who are unable to attend the Meeting and who wish to be represented thereat must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between such Shareholder and their CSDP or broker in the manner and time stipulated therein.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof, and deposited at the registered office of the Company at any time up to and including the last day (not including Saturdays, Sundays and statutory holidays observed in Vancouver, British Columbia) preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

### **Advice to Beneficial Holders of Common Shares**

**The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of Eastplats as the registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of Eastplats. Such Common Shares will more likely be registered under the names of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker’s clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the voting instruction form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number or visit [www.proxyvote.com](http://www.proxyvote.com) to vote the Common Shares held by the Beneficial Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.

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

The Company intends to send proxy related materials indirectly through intermediaries and brokers to non-objecting beneficial owners under National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer. The Company will NOT pay for the costs of delivery of proxy related materials to objecting beneficial owners. The Company is using notice-and access procedures for distributing proxy related materials to Shareholders.

## Voting of Proxies

All Common Shares represented by properly executed and deposited proxies will be voted or withheld from voting in accordance with the instructions contained therein. **If no choice is specified with respect to any matters referred to herein, the persons whose names appear on the printed form of proxy will vote in favour of the matters to be considered by Shareholders at the Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.**

As of the date hereof, the management of Eastplats know of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

## Record Date

The board of directors of Eastplats (the “**Board**”) has fixed April 30, 2021 as the record date for the Meeting for Shareholders on the Canadian register and April 30, 2021 for Shareholders on the South African register to receive notice of the Meeting in South Africa. Shareholders on the Canadian register at the close of business on April 30, 2021 are entitled to receive notice of the Meeting and to vote thereat and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held.

Shareholders of record on the South African register at close of business on June 11, 2021 are entitled to vote at the Meeting and at any adjournment or adjournments thereof on the basis of one vote for each Common Share held. The last day to trade for Shareholders on the South African register to be Shareholders of record on the South African register is June 8, 2021.

## INFORMATION CONCERNING THE COMPANY

### General

The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, North West Territories, Yukon and Nunavut and its Common Shares are listed for trading on the TSX under the symbol “ELR”. The head office of the Company is located at suite 1080 - 1188 West Georgia Street, Vancouver, British Columbia, V6E 4A2. The registered office of the Company is located at Suite 2900, 550 Burrard Street, Vancouver, British Columbia, V6C 0A3.

### Voting Securities

The authorized capital of the Company consists of an unlimited number of Common Shares. As of the date hereof, 137,520,773 Common Shares were issued and outstanding as fully paid and non-assessable. Shareholders are entitled to one vote per Common Share held at meetings of Shareholders, to receive dividends, if, as and when declared by the Board and to receive pro rata the remaining property and assets of the Company upon its dissolution or winding up.

### Principal Holders of Voting Securities

As of the date hereof, to the knowledge of the directors and executive officers of Eastplats, the only person who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company is set out below:

<u>Name and Address</u>	<u>Number of Shares Owned, Controlled or Directed</u>	<u>Percentage of Shares Outstanding</u>
KA AN Development Co. Limited	45,000,000	32.72%

## MATTERS TO BE CONSIDERED AT THE MEETING

### I. Financial Statements

The Company's financial statements for the financial year ended December 31, 2020 and the auditors' report thereon will be placed before the Meeting. The financial statements have been approved by the directors and receipt at the Meeting of the Company's financial statements and the auditors' report for its most recently completed financial year will not constitute approval or disapproval of any matters referred to therein.

### II. Setting the Number of Directors

At the Meeting, Shareholders will be asked to consider and, if thought advisable, approve a resolution setting the number of directors for the present time at five. **It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR setting the number of directors to be elected at the Meeting at five.**

### III. Election of Directors

Each director elected will hold office until the close of business of the next annual meeting of Shareholders of the Company following his election unless his office is earlier vacated in accordance with the Company's articles. Voting for the election of directors will be conducted on an individual, and not slate, basis. **It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of each of the nominees whose names are set forth below.** The following table provides the names of the nominees, all major offices and positions with the Company, each nominee's principal occupation, the period of time during which each has been a director, and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at April 30, 2021, and the number of options to purchase Common Shares held by each as at April 30, 2021.

<b>DIANA HU</b> Vancouver, B.C., Canada Age: 50  <b>Director Since:</b> August 12, 2016  <b>Director Status:</b> Non-Independent Director <sup>(3)</sup>				
<b>Principal Occupation, Business or Employment <sup>(1)</sup></b>				
Chief Executive Officer and President of Eastern Platinum Limited (July 27, 2016 – present). President of CGH Industries Limited (“CGH”) (2004 to present); General Manager of Nyrstar Hong Kong Co. Ltd. (2014 – 2015).				
Board/Committee Membership	2020 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	9 of 9	100%	n/a	n/a
Corporate Social Responsibility, Safety, Health & Environmental Committee	4 of 4	100%		
<b>Total:</b>	13 of 13	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed: <sup>(1)(2)</sup></b>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			1,300,000	



<b>MICHAEL COSIC</b> Toronto, Ontario, Canada Age: 52 <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
CFO of Meta Growth Corp. (March 2019 – to November 2020), CFO of DLT Labs Inc. (January 2018 to February 2019), VP Finance of BridgePoint Financial Group (May 2016 to December 2017) and CFO of Lithium Americas Corp. (November 2012 to November 2015).				
Board/Committee Membership	2020 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	9 of 9	100%	n/a	n/a
Audit Committee	5 of 5	100%		
Corporate Governance and Compensation Committee	1 of 1	100%		
<b>Total:</b>	15 of 15	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:</b> <sup>(1)(2)</sup>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			500,000	

<b>GEORGE DORIN</b> Surrey, B.C., Canada Age: 68 <b>Director Since:</b> July 5, 2016 <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Mr. Dorin has served as a director, including chairman, audit committee chairman, chief financial officer and corporate secretary of several reporting issuers listed on Canadian and US stock exchanges. He is the founder and president of CANUS Capital Corporation, a private boutique corporate finance and business advisory firm based in Surrey, B.C., Canada, which provides services to both public and private companies.				
Board/Committee Membership	2020 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	9 of 9	100%	Gourmet Ocean Products Inc.	January 5, 2011
Audit Committee	5 of 5	100%	China Keli Electric Company Ltd.	May 5, 2010
Corporate Governance and Compensation Committee	1 of 1	100%	Benchmark Botanics Inc.	Nov. 2, 2017
<b>Total:</b>	15 of 15	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:</b> <sup>(1)(2)</sup>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			500,000	

<b>BIELIN SHI</b> Perth, Western Australia, Australia Age: 64  <b>Director Since:</b> September 5, 2016  <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Dr. Shi has been the Group Manager – Exploration & Resources, Minjar Gold Pty Ltd., since 2019, Deputy General Manager of Shandong Tyan Home Co. (2017 – 2019), the Chief Geologist of Pei Si International (Beijing) Co. Ltd.(2015 – 2017), the Principal Geologist of CSA Global, Perth, Australia (2009 – 2015), Principal Geologist of Citic Pacific Mining Management, Australia (2008 – 2009), General Manager of Golder Associates Consulting Ltd., Beijing, China (2004 to 2008).				
Board/Committee Membership	2020 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	9 of 9	100%	China Gold International Resources Corp. Ltd.	2015
Corporate Social Responsibility, Safety, Health and Environmental Committee	4 of 4	100%		
<b>Total:</b>	13 of 13	100%		
<b>Common Shares Beneficially Owned, Controlled or Directed:</b> <sup>(1)(2)</sup>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			500,000	

<b>XIN (ALEX) GUAN</b> Beijing, China Age: 52  <b>Director Since:</b> April 24, 2018  <b>Director Status:</b> Independent Director <sup>(4)</sup>				
<b>Principal Occupation, Business or Employment<sup>(1)</sup></b>				
Mr. Guan is the director of White Compass Pty Ltd. (September 2014 - Present), a trading and consulting company in commodity and art. Previously Mr. Guan was the Chief Representative in China of Metalmin Beijing (2007 - 2014).				
Board/Committee Membership	2020 Attendance		Other Public Company Board Memberships	
			Company	Since
Board of Directors	9 of 9	100%	N/A	N/A
Audit Committee	5 of 5	100%		
Corporate Social Responsibility, Safety, Health and Environmental Committee	4 of 4	100%		
Corporate Governance and Compensation Committee	1 of 1	100%		
Special Committee	2 of 2	100%		
<b>Total:</b>	21 of 21			
<b>Common Shares Beneficially Owned, Controlled or Directed:</b> <sup>(1)(2)</sup>			Nil	
<b>Options Beneficially Owned, Controlled or Directed:</b>			400,000	

**NOTES:**

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned, controlled or directed by a nominee is not within the knowledge of the management of the Company and has been furnished by the nominee.
- (2) Does not include unissued Common Shares issuable upon the exercise of incentive stock options.
- (3) See the section entitled "Corporate Governance" for a description of the reasons why the Company does not consider this nominee to be independent.
- (4) "Independent" refers to the standards of independence established under Canadian Securities Administrators' National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

***Corporate Cease Trade Orders or Bankruptcies***

Except as disclosed herein, to the knowledge of the Company, none of the proposed directors, or a Shareholder holding a sufficient number of securities to affect materially the control of the Company is, or within ten years before the date of this Information Circular, has been, a director, officer, insider or promoter of any other issuer that while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied such issuer access to any statutory exemptions for a period of more than 30 consecutive days; or
- (b) 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.

Ms. Hu was the Chief Executive Officer of the Company when she became the subject of a management cease trade order issued by the British Columbia Securities Commission on April 4, 2017 for the Company's failure to file annual financial statements, management's discussion and analysis, certification of annual filings and an annual information form for the year ended December 31, 2016. The management cease trade order was revoked on June 15, 2017.

Mr. Dorin was a director of Huaxing Machinery Corp ("HUA"), which had a cease trade order issued against it on February 26, 2015. Due to its declining financial position, HUA's subsidiary operating company in China was unable to fund HUA, a reporting issuer that traded on the TSX Venture Exchange (TSXV: HUA), and provide the ongoing regulatory and financial reporting required by the British Columbia Securities Commission ("BCSC"). HUA was thus unable to complete an audit of its financial statements for the fiscal year ended December 31, 2014, which was to include restated financial statements for the prior year. HUA was moved to the NEX during May 2016 and subsequently delisted.

Mr. Dorin is also a director of China Keli Electric Co. Ltd (NEX:ZKL.H, formerly TSXV: ZKL) ("ZKL"), which had a cease trade order issued against it by the BCSC on September 8, 2014 for failure to timely file its audited consolidated financial statements for the year ended April 30, 2014. ZKL filed its audited consolidated financial statements for the year ended April 30, 2014 and the cease trade order was revoked by the BCSC on July 15, 2015. A further cease trade order was issued against the Company by the British Columbia Securities Commission on October 30, 2018 for failure to timely file the audited consolidated financial statements of the Company for the year ended April 30, 2018. The Company filed such financial statements, as well as interim financial statements for the interim periods ended July 31, 2018 and October 30, 2018, and applied to have the cease trade order revoked. ZKL sold its active China-based operating business on October 29, 2018 to pursue another business opportunity. The cease trade order was subsequently revoked and ZKL resumed trading on the NEX under ticker symbol ZKL.H on January 27, 2021.

***Penalties or Sanctions***

To the knowledge of the Company, no proposed director, officer, promoter or control person of the Company has:

- (a) been the subject of any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision.

### ***Personal Bankruptcies***

To the knowledge of the Company, no proposed director, officer, promoter or control person of the Company has, within the past ten years, become bankrupt, 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.

### ***Conflicts of Interest***

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as director or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (British Columbia) (the “**Act**”).

## **IV. Appointment of Auditor**

The Board recommends, on the advice of the Audit Committee, that PricewaterhouseCoopers LLP be appointed as auditors of the Company, at a remuneration to be fixed by the Board. PricewaterhouseCoopers LLP was appointed by the directors of the Company as auditor of the Company commencing August 2, 2017, and was re-appointed by the Shareholders on October 15, 2020.

**Management recommends that PricewaterhouseCoopers LLP be appointed as auditor of the Company until the next annual general meeting of Shareholders. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the appointment of PricewaterhouseCoopers LLP as auditors.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

In accordance with the requirements of applicable securities legislation in Canada, the following executive compensation disclosure is provided in respect of: (a) each person who served as the Company’s Chief Executive Officer (the “**CEO**”) and Chief Financial Officer (the “**CFO**”) during the 2020 fiscal year; (b) the three most highly compensated executive officers of the Company (other than the CEO and CFO) and its subsidiaries whose annual aggregate compensation for the 2020 fiscal year exceeded \$150,000; and (c) each individual who would be included under (b) above but for the fact such individual was not an executive officer of the Company or its subsidiaries at the end of the financial year (each, a “**NEO**” and collectively, the “**NEOs**”).

### **Compensation Discussion and Analysis**

The Board’s Corporate Governance and Compensation Committee (the “**Committee**”) is responsible for overseeing compensation for the Company’s executive officers and making recommendations in respect thereof to the Board, consistent with the Company’s compensation philosophy and compensation and corporate governance best practices. The Committee executes its mandate in consultation with management and a review of comparable information in the industry in which the Company operates. The Board, however, makes the ultimate decisions with respect to executive compensation upon consideration of the Committee’s recommendations.

Ms. Diana Hu, was appointed as the Chief Executive Officer and President on July 27, 2016.

Mr. Rowland Wallenius was appointed as the Chief Financial Officer and Corporate Secretary on November 25, 2016 and resigned from these officer positions effective April 2, 2021. The Company has engaged Mr. Wallenius as a consultant for a period of approximately three months to assist in the transition period after his departure. He will

provide services on an as-needed basis at a rate of \$100.00 per hour. Mr. Wylie Hui was appointed as the Chief Financial Officer and Corporate Secretary effective May 1, 2021.

Mr. Andreas Zhang was appointed as Chief Operating Officer on July 5, 2016.

Ms. Hannelie Hanson was appointed as GM South Africa effective August 1, 2018.

In accordance with applicable securities laws, each of these individuals is among the Company's "Named Executive Officers" or "NEOs" in respect of whom 2020 compensation is disclosed below.

During 2020 the Committee reviewed the change of the Company from care and maintenance into a revenue producing Company and all key compensation issues for the directors and the executive officers and based on those discussions, the Chair made recommendations to the Board. The purpose of the Company's compensation program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the interests of Shareholders of the Company and to provide for transparent and defensible compensation. The compensation program is designed to incentivize such executives to achieve the annual and long-term business goals of the Company and to reward each executive officer for his/her achievements on the basis of individual, group and corporate performance.

The three principal elements that make up the compensation program are base salary, long term incentives and cash bonuses. In the normal course, total executive compensation for NEOs (base salary, stock options and cash bonuses) is targeted at the median quartile of market. Stock options have traditionally been awarded on an annual basis and grants are based on a number of factors, including individual and corporate performance, retention considerations, and performance motivation.

The base salary established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by the Board. The incentive stock option portion of the compensation is designed to provide the executive officers of the Company with a long-term incentive in developing the Company's business. Options granted under the Company's stock option plan are approved by the Board and, if applicable, its subcommittees, after consideration of the Company's overall performance and whether the Company has met targets set out by the executive officers in their strategic plan.

The Committee oversees the implementation of the Company's executive compensation policies and philosophy, reviews the adequacy and form of compensation and/or benefits for directors and executives, assesses the individual performance of the Company's executives, and makes recommendations to the Board. The Committee also assesses corporate and individual performance, recruiting and retention needs, and makes recommendations to the Board in respect of them. Based on these recommendations, the Board makes decisions concerning the nature and scope of the remuneration for directors and executive officers as well as other employees and consultants.

The Committee also administers and makes recommendations to the Board with respect to the Company's stock option plan. The Company may also grant incentive stock options from time to time in accordance with the terms of its stock option plan. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to those of the Shareholders.

The Committee may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation. In early 2021, the Committee undertook a review of the 2020 Global Mining Compensation Survey (the "Survey"). The Survey was organized and presented by Global Governance Advisors, a human capital consulting firm providing executive compensation and governance advisory services to boards of directors and senior management. Fifty-six mining companies participated in the Survey and were divided into different groups according to the size of their total assets for data compiling. The survey also provided detailed base salary, short and long term incentives of the executive compensation based on the different commodities and stages of business development. The Committee believed the Survey represented good comparators of the 'market' in which the Company competed for executive talent and as such made adjustments to compensation in early 2021.

Following the October 15, 2020 annual general meeting of Shareholders, George Dorin, Michael Cosic and Xin (Alex) Guan were all reappointed to the Committee. At this time, all of the members of the Committee are independent. The Committee is made up of the following members, all of whom have prior experience in dealing with compensation matters:

*George Dorin (Chair)* July 5, 2016 – present

*Michael Cosic* March 27, 2018 – present

*Xin (Alex) Guan* June 14, 2018 - present

Mr. Dorin is a CPA, CA, holds an MSc(Econ), FCSI, and CF and has over 40 years of broad-based financial experience, including over 20 years as a Corporate Director or Chief Financial Officer and Corporate Secretary for several private and public companies. This broad experience has provided Mr. Dorin with significant experience and knowledge in preparing, reviewing, developing, analysing and comparing appropriate compensation for many senior roles in a variety of businesses.

Mr. Cosic (CFA, MBA) has been the Chief Financial Officer for several public and private companies, in addition to holding other senior management roles for over 20 years. Mr. Cosic has wide ranging experience and knowledge in compensation matters in numerous businesses and industries.

Mr. Guan holds an MBA and is the director of White Compass Pty Ltd. (September 2014 - Present), a trading and consulting company in commodity and art. Previously Mr. Guan was the Chief Representative in China of Metalmin Beijing (2007 - 2014). Mr. Guan has wide ranging experience and knowledge in compensation matters in numerous businesses and industries.

**Elements of Executive Compensation**

The following elements of compensation are employed to reward the Company’s executive officers:

<u>Element</u>	<u>Purpose</u>
<b>Base Salaries/Fees</b>	<p>Base salaries/fees form an essential component of the Company’s compensation strategy as a key to the Company remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits. In determining the base salaries/fees of executive officers, the Committee and the Board consider the following:</p> <ul style="list-style-type: none"> <li>• the recommendations of the Chief Executive Officer (other than in respect of the Chief Executive Officer’s compensation);</li> <li>• the particular responsibilities related to the position;</li> <li>• the level of experience and expertise of the executive officer; and</li> <li>• the executive officer’s overall performance based on feedback.</li> </ul> <p>The emphasis placed on any of these factors is at the discretion of the Board and may vary among the executive officers.</p>

<u>Element</u>	<u>Purpose</u>
<b>Bonus Payments</b>	<p>The purpose of the Company’s bonus program is to provide executives with the opportunity to receive a cash incentive that is broadly related to the progress of the Company and individual performance.</p> <p>The Company does not utilize a set of formal corporate objective measures to determine bonus entitlements but rather determines bonus payments to executives in specific individual objectives or targets on a case by case basis for each executive officer. The Committee, in making recommendations to the Board in respect of bonus awards, considers the achievement of individual targets or technical milestones. The Company does not focus on any particular key performance indicators (KPI).</p>
<b>Long-Term Incentives</b>	<p>Long-term incentives are designed to reward long-term executive performance, to aid in the retention of qualified executives and to align executive incentives directly with those of Shareholders by retaining a proprietary interest in the equity of the Company while at the same time not drawing on the cash resources of the Company.</p> <p>The Company does not utilize a set of formal objectives measures to determine long-term incentive grants. Rather such grants are determined on a case by case basis having consideration to such grants previously awarded. There are no specific quantitative or qualitative measures associated with long-term incentive grants, and no specific weights are assigned to any criteria individually. The performance of the Company is broadly considered as a whole when determining long-term incentive awards, if any, and the Company does not focus on any particular performance metric.</p> <p>Subject to approval by the Board, the Company grants long-term incentive awards in the form of stock options. The Committee reviews option grant recommendations made by the Chief Executive Officer with regard to each executive’s individual performance in contributing to the strategic objectives of the Company and demand in the market for the skills of that executive. The Committee makes its recommendations for approval of grants to the Board for the executives and Board members.</p>

**Compensation Philosophy and Goals**

The Board has the overall responsibility for the Company’s compensation program. The Board has delegated certain research and oversight responsibilities to the Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Committee recommendations.

The Committee assesses the individual performance of the Company's executive officers and makes recommendations relating to compensation to the Board. Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Committee bases its recommendations to the Board on its compensation philosophy and the Committee's assessment of corporate and individual performance, recruiting and retention needs.

While the Company does not have a formal compensation policy, the guiding philosophy of the Company's executive compensation program is to:

- align the interests of the executives with the interests of the Shareholders by linking their compensation to the performance of the Company;
- establish executive compensation on an individual basis in order to retain within the Company qualified and experienced individuals;
- ensure that compensation is fair and appropriate in the opinion of reasonable Shareholders and that it be established, when deemed reasonable and effective to do so, with reference to the market for similar positions in other comparable mining and exploration companies;
- motivate the Company's management team to continually meet and exceed operating targets without sacrificing the Company's long-term growth or our commitment to the Company's employees' safety, health and the environment, while advancing the Company's strategic objectives of growth through optimization of its current exploration and development activities;
- designate an appropriate portion of compensation "at risk" that is variable and linked to individual, group and/or corporate performance;
- allocate an appropriate portion of variable compensation to equity-based awards, aligning interests of the executives directly with those of Shareholders;
- equitably manage compensation so that executives in similar positions and locations are rewarded commensurately;
- reward achievement of business objectives;
- promote effective risk management; and
- effectively communicate goals and calculation methodologies so that they are understood by both executives and Shareholders.

In implementing its compensation philosophy, the Committee and the Board are mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results;
- compensation should be linked to corporate objectives, and individual performance in achieving those corporate objectives, while not encouraging excessive or inappropriate risk taking in order to maximize shareholder return; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

### **Management of Risk**

The Company recognizes that certain compensation programs, both employee and executive, could promote unintended behaviours that may, in certain circumstances, be misaligned with the Shareholders' interests. Such behaviours could be problematic at any level of the organization; however, they could potentially have a greater impact on the entire organization if exhibited by executive officers of the Company. The Company seeks to ensure, through the structure of its compensation programs, that executive actions and decisions align with the interests of the



Company and its Shareholders. There are additional risks that the Company is typically subject to; however, this discussion focuses solely on risks linked to the Company's executive compensation programs.

In designing and implementing the Company's compensation policies and philosophy, the Committee and the Board regularly assess the risks associated with the Company's policies and practices. The Committee maintains sufficient discretion and flexibility in implementing compensation decisions such that unintended consequences in remuneration can be minimized, while still allowing the Committee to be responsive to market forces in a competitive environment. Several existing practices assist in the management of compensation risk, including the following:

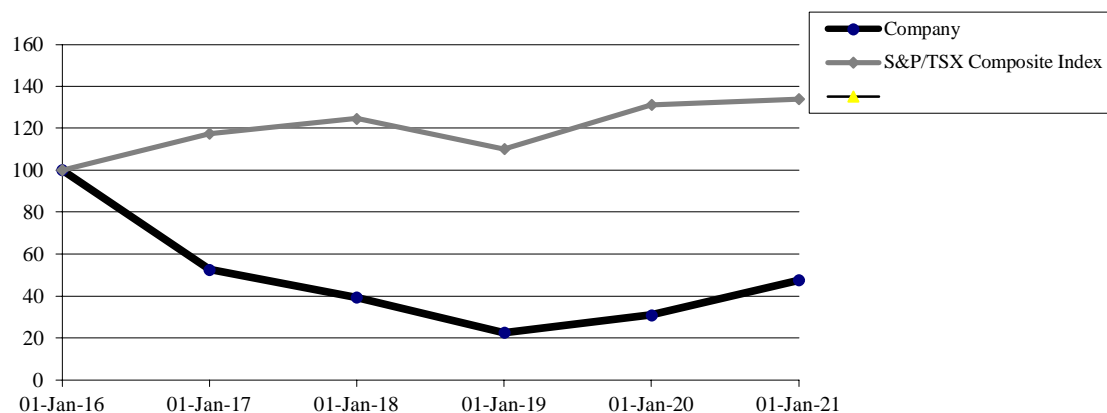
- mixture of short-term and long-term variable incentive programs, which mitigates the risk of encouraging short-term goals at the expense of long-term sustainability and profitability;
- compensation plans incorporate elements of discretion for the Board thereby permitting adjustments to be made so that payouts are not overly influenced by an unusual result in a given area;
- in exercising its discretion under the bonus plan and stock option plan, the Committee reviews individual and corporate performance taking into account the long-term interests of the Company; and
- results of annual assessments of executives' goals, objectives and performance are reviewed and considered in awarding compensation and discretionary judgment is applied in awarding both discretionary bonuses under the bonus plan and future compensation.

The Company believes the elements of executive compensation are balanced, and do not encourage unnecessary or excessive risk taking. Base salaries are fixed in amount and therefore do not encourage risk taking. While annual incentive awards focus on the achievement of short term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long-term results, the Company's annual incentive award program represents a small percentage of employee's compensation opportunities. Annual incentive awards are based on various personal and company-wide objectives, as well as general performance in day-to-day corporate activities which would trigger the award of a bonus payment to the NEO. The determination as to whether a target has been met is ultimately made by the Board (after receiving recommendations of the Committee) and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Stock option awards are important to further align employees' interests with those of Shareholders. The ultimate value of the awards is tied to the Company's stock price and since awards are staggered and subject to long-term vesting schedules, they help ensure that NEOs have significant value tied in long-term stock price performance.

The Company does not have a policy with regard to executive officer and director purchases of financial instruments designed to hedge or offset a decrease in the market value of the Company's securities held by executive officers and directors. In the event a director or NEO purchases financial instruments that are designed to hedge or offset a decrease in market value of the Company's equity securities granted as compensation or held, directly or indirectly, by the director or NEO, such purchases must be disclosed in insider reporting filings. To date, no such purchases have been disclosed by any director or NEO of the Company.

### **Performance Graph**

The following graph compares the cumulative total return to a Shareholder who invested \$100 in Common Shares of the Company on January 1, 2016 until January 1, 2021 with the cumulative total return of the TSX.



	Investment	Jan 1, 2016	Jan 1, 2017	Jan, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021
Company	\$100.00	\$100.00	\$52.57	\$39.29	\$22.62	\$30.95	\$47.62
S&P/TSX Composite Index	\$100.00	\$100.00	\$117.51	\$124.59	\$110.09	\$131.16	\$134.00

### Compensation in Relation to Shareholder Return

During the comparative five-year period from December 31, 2015 to December 31, 2020, total shareholder return for shares of the Company was negative 81.56%. The overall return to Shareholders has been both positive and negative over the past five years, with a net decrease from December 31, 2015 to today. This return is a direct result of changes in the economic environment in South Africa, and the platinum group metals and other commodity pricing. Further, the fact that the Company did not have any active projects until 2019 reinforced that economic impact. This back drop including the decreasing share price precipitated a change in the entire Board during 2016. Following the proxy contest, the Board hired new executive officers and significantly adjusted the base pay and aligned the incentives to better align executive pay with corporate progress and Shareholder returns. As shown in the table below the new executive officer's base salary were significantly lower with incentive bonuses that were only payable on results and new operations, but in total were still much lower than prior management base salaries.

The current share price continues to reflect the use of the Company's cash resources in 2020 and 2021. Those resources were invested into the new tailing's retreatment project located at the Company's Crocodile River Mine in South Africa. However, operations only began in late December 2018. During 2020 the Company's work over the past two years including the current production occurring in 2020 is beginning to be reflected in a slightly increased share price.

### Summary Compensation Table

The table below reflects compensation paid to the NEOs for the financial years ended December 31, 2020, 2019 and 2018:

Name and Principal Position	Year	Salary <sup>(11)</sup> (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other Compensation <sup>(2)</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Diana Hu <sup>(3)</sup> President & CEO	2020	367,538	-	73,296	60,500	-	-	-	501,334
	2019	363,000	-	40,500	-	-	-	-	403,500
	2018	330,000	-	28,936	110,000 <sup>(7)</sup>	-	-	-	468,936
Rowland Wallenius <sup>(4)</sup> former Chief Financial Officer and former Corporate Secretary	2020	222,750	-	48,864	36,667	-	-	-	308,281
	2019	220,000	-	27,000	-	-	-	-	247,000
	2018	200,000	-	17,793	50,000 <sup>(7)</sup>	-	-	-	267,793
Andrea Zhang <sup>(5)</sup> Chief Operating Officer	2020	307,395	-	48,864	50,600	-	-	-	406,859
	2019	303,600	-	27,000	-	-	-	-	330,600
	2018	276,000	-	17,793	92,000 <sup>(7)</sup>	-	-	-	385,793
Hannelie Hanson <sup>(6)</sup> GM South Africa	2020	227,867	-	24,441	7,206	-	-	-	259,514
	2019	233,929	-	-	29,240	-	-	-	263,159
	2018	229,163	-	-	16,100	-	-	-	245,263

**Notes:**

- (1) Amounts represent the grant date fair value of the stock options awarded to the NEO, calculated in accordance with the Black-Scholes model, which the Company determined to be the most accurate measure of value, using the market price of the Common Shares as at the grant date. The key valuation assumptions used for 2020 were stock price volatility of 60.98%, risk free interest rates of 0.5%, no dividend yield, and an expected option life of five years.
- (2) Amounts in this column include payments on termination (see “*Termination and Change of Control Benefits*”). None of the NEOs received perquisites, including property or personal benefits not generally available to all employees that in aggregate were worth more than \$50,000 or more, or worth 10% or more of the NEO’s total salary for the financial period ended December 31, 2020.
- (3) Ms. Hu was appointed as President and Chief Executive Officer on July 27, 2016. Effective January 1, 2018 Ms. Hu is an employee of the Company. Effective October 1, 2020, Ms. Hu’s annualized salary was \$381,500 plus an annualized incentive bonus payable at the discretion of the Board.
- (4) Mr. Wallenius commenced employment on November 23, 2016 and became the Chief Financial Officer and Corporate Secretary on November 25, 2016. Effective October 1, 2020, Mr. Wallenius’ annualized salary was \$231,000 plus an incentive bonus payable at the discretion of the Board. The Company has engaged Mr. Wallenius as a consultant for a period of approximately three months to assist in the transition period after his departure. He will provide services on an as-needed basis at a rate of \$100.00 per hour. Effective May 1, 2021 Wylie Hui became Chief Financial Officer and Corporate Secretary.
- (5) Mr. Zhang was appointed as Chief Operating Officer on July 5, 2016. All amounts (except for option grants) for Mr. Zhang were paid to Oriental Fortune Consulting Services Limited (“**Oriental**”). Oriental is a private Hong Kong, China company controlled by Mr. Zhang. Under a management services contract effective October 1, 2020. Mr. Zhang’s annualized consulting fee was \$318,780 plus annual incentive fees at the discretion of the Board.
- (6) Ms. Hanson was appointed as GM South Africa effective August 2018 and in April 2020 became a director of several subsidiaries. Ms. Hanson previously was the Manager of Technical Services for the operations at Crocodile River. All her compensation is paid in South African Rand. Ms. Hanson’s annualized salary for 2020 was R2,817,396.
- (7) The incentive amounts were not paid until 2019.

**Incentive Plan Awards**

Prior to 2016 the Company granted incentive stock options (the “**Old Options**”) pursuant to its stock option plan last amended and restated as of September 12, 2014 (the “**Original Option Plan**”). At the annual general and special meeting of Shareholders of the Company held on June 13, 2019, the Company’s Shareholders approved the Option Plan, which terminated and replaced the Original Option Plan.

**Original Option Plan**

Historically, the Company granted Old Options pursuant to the Original Option Plan. The Board ceased granting Old Options under the Original Option Plan in October, 2016. All Old Options granted under the Original Option Plan

have fully vested. The Company has ceased granting any Old Options and any Old Options that were previously granted under the Original Option Plan are administered by the Board.

The Original Option Plan reserved 7,900,000 Common Shares pursuant to Old Options granted under the Original Option Plan, which represents approximately 5.7% of the current issued and outstanding Common Shares. As of the date hereof, Old Options to acquire an aggregate of 600,000 Common Shares are outstanding under the Original Option Plan, representing approximately 0.4% of the issued and outstanding Common Shares. At this time, no further grants are permitted under the Original Option Plan.

### *Option Plan*

The purpose of the Option Plan is to attract and retain officers, directors, employees and consultants and provides incentives for such persons to put forth maximum effort for the continued success and growth of the Company.

The Option Plan reserves for issuance pursuant to incentive stock options granted under the Option Plan (the “**Options**”), when taken together with Common Shares reserved for issuance pursuant to all of the Company’s security-based compensation arrangements, a maximum of 10% of the issued and outstanding Common Shares of the Company. As of the date hereof, Options to acquire an aggregate of 5,420,000 Common Shares are outstanding under the Option Plan, representing approximately 3.9% of the issued and outstanding Common Shares of the Company. Options which have expired, were cancelled or otherwise terminated without having been exercised, and those which have been exercised, are available for subsequent grants under the Option Plan.

### *Eligible Participants*

The Option Plan provides that the Board may, from time to time, grant Options to acquire Common Shares to the Participants.

### *Exercise Price and Expiry*

The Board, or the Committee if so empowered, will determine the exercise price for Options granted. The exercise price must not be less than the five-day volume weighted average trading price of the Common Shares on the TSX. An Option terminates at 5:00 p.m. (PDT) on the date determined by the Company and specified in the particular option agreement on which the Option would normally terminate, which date may not be later than ten years after the date of grant.

### *Insider Participation Limit*

The maximum number of Common Shares pursuant to the Option Plan and all other security-based compensation arrangements:

- (a) issuable to all insiders, at any time; or
- (b) issued to all insiders, within any one-year period,

must not exceed 10% of the issued and outstanding Common Shares of the Company.

### *Maximum Issuable to One Person*

The Option Plan does not provide for a maximum number of shares which may be issued to an individual pursuant to the Option Plan and any other share compensation arrangement (expressed as a percentage or otherwise).

### *Vesting*

The vesting of Options under the Option Plan will be determined at the discretion of the Board.

### *Anti-Dilution and Other Adjustments*

Under the Option Plan, the Board may make such adjustments to the Option Plan and Options granted thereunder as the Board may in its sole discretion (and without shareholder approval) deem appropriate to prevent the substantial dilution or enlargement of the rights granted to, or available for, holders of Options in the event:

- of any change or proposed change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
- of any issuance, dividend or distribution to all or substantially all the holders of Common Shares of any shares, securities, property or assets of the Company other than in the ordinary course;
- that any rights are granted to holders of Common Shares to purchase Common Shares at prices materially below fair market value; or
- that as a result of any recapitalization, merger, consolidation or otherwise the Common Shares are converted into or exchangeable for any other shares or securities.

#### *No Financial Assistance*

No financial assistance will be provided by the Company or its subsidiaries to Participants to facilitate the purchase of Common Shares issuable under the Option Plan.

#### *Transferability*

Under the Option Plan, Options are not assignable or transferable by a Participant except, in the event of a Participant's death, the interest of a Participant enures to the benefit of and is binding upon the legal personal representatives of the Participant.

#### *Termination*

Upon the death or long term disability of a Participant holding Options under the Option Plan, all unvested outstanding Options held by that Participant will immediately terminate, other than those which would have vested within the one year period following the date of such termination if such termination had not occurred, which options will be deemed to be vested and be exercisable until the earlier of: (i) the original expiry date of the Option; and (ii) one year following the date of death or long term disability.

If a Participant ceases to be a director, officer, employee or consultant of the Company for any other reason, then all outstanding unvested Options held by that Participant will immediately terminate and such Participant shall have the right to exercise part or all of his or her outstanding vested Options until the earlier of: (i) the original expiry date of the Option; and (ii) 30 days following the date of such termination, resignation or cessation of employment.

#### *Black-Out Periods*

Under the Option Plan, if an Option expires during a black-out period, the expiry date for the Option is extended for a period of ten business days following the expiry of such black-out period. This provision applies to all Participants under the Option Plan.

#### *Amending the Option Plan*

Subject to the requirements of applicable law, rules and regulations, the Board may, without shareholder approval, amend, alter, suspend, discontinue, or terminate the Option Plan at its sole discretion unless it would impair rights of a Participant holding Options under the Option Plan in which case that Participant's consent is required. Further, Shareholder approval is required for amendments that:

- increase the total number of Common Shares available for Options under the Option Plan, unless authorized expressly in the Option Plan;
- reduce the exercise price or extend the exercise period of any Option;

- have the effect of cancelling any Options and concurrently reissuing such Options on different terms;
- otherwise would cause the Option Plan to cease to comply with any tax or regulatory requirement, including for these purposes any approval or other requirement;
- have the effect of amending what type of amendments require Shareholder approval;
- modify or amend the provisions of the Option Plan in any manner which would permit Options, including those previously granted, to be transferable or assignable; assignable otherwise than as provided for in the Option Plan; or
- change the Participants under the Option Plan which would have the potential of broadening or increasing insider participation.

Without limiting the generality of the foregoing, the Board may, without Shareholder approval, make the following types of amendments to the Option Plan:

- amendments of a “housekeeping” nature; or
- a change to the termination provisions of Options which does not entail an extension beyond the original expiry date.

The foregoing summary is subject to and qualified by the provisions of the Option Plan available for review in Schedule “B”.

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

The following table sets forth information with respect to option-based awards made to NEOs that were outstanding as at December 31, 2020. The NEOs do not receive any share-based awards.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date <sup>(1)</sup>	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
<b>Diana Hu</b>	100,000	1.05	August 14, 2021	-	-	-	-
President	100,000	0.32	November 9, 2022	8,500	-	-	-
and Chief	200,000	0.33	December 7, 2022	15,500	-	-	-
Executive	450,000	0.21	June 13, 2024	87,750	-	-	-
Officer	450,000	0.37	October 16, 2025	15,570	-	-	-
<b>Rowland Wallenius<sup>(3)</sup></b>	100,000	0.40	February 24, 2022	500	-	-	-
Former	100,000	0.32	November 9, 2022	8,500	-	-	-
Chief	100,000	0.33	December 7, 2022	7,500	-	-	-
Financial	300,000	0.21	June 13, 2024	58,500	-	-	-
Officer and Former Corporate Secretary	300,000	0.37	October 16, 2025	10,500	-	-	-
<b>Andrea Zhang</b>	100,000	1.05	August 14, 2021	-	-	-	-
Chief	100,000	0.32	November 9, 2022	8,500	-	-	-
Operating	100,000	0.33	December 7, 2022	7,500	-	-	-
Officer	300,000	0.21	June 13, 2024	58,500	-	-	-
	300,000	0.37	October 16, 2025	10,500	-	-	-

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date <sup>(1)</sup>	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
<b>Hannelie Hanson</b>	100,000	0.33	December 7, 2022	3,750	-	-	-
	50,000	0.24	April 29, 2025	8,250			
GM South Africa	120,000	0.37	October 16, 2025	4,200			

**Notes:**

- (1) Options vest 90 days from the date of grant.
- (2) The "in-the-money" amount is based on the difference between the closing price of the Common Shares on December 31, 2020 of \$0.405 on the TSX, being the last day which the Common Shares traded in 2020 and the exercise price of the Options.
- (3) Mr. Wallenius resigned as Chief Financial Officer and Corporate Secretary on April 2, 2021. The Company has engaged Mr. Wallenius as a consultant for a period of approximately three months to assist in the transition period after his departure. He will provide services on an as-needed basis at a rate of \$100.00 per hour. Effective May 1, 2021 Wylie Hui became Chief Financial Officer and Corporate Secretary.

**NEO Compensation - Incentive Plan Awards - Value Vested or Earned During the Year**

The following table discloses incentive plan awards held by the NEOs that vested during the year ended December 31, 2020. The NEOs do not receive any share-based awards.

Name	Option-Based Awards - Value vested during the year (\$) <sup>(1)</sup>	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
<b>Diana Hu</b> President and Chief Executive Officer	0	-	--
<b>Rowland Wallenius<sup>(2)</sup></b> former Chief Financial Officer and former Corporate Secretary	0	-	-
<b>Andrea Zhang</b> Chief Operating Officer	0	-	-
<b>Hannelie Hanson</b> GM South Africa	6,750	-	-

**Notes:**

- (1) Represents the aggregate "in-the-money" amount that would have been realized if the vested in-the-money Options had been exercised on the vesting date.
- (2) Mr. Wallenius resigned as Chief Financial Officer and Corporate Secretary on April 2, 2021. The Company has engaged Mr. Wallenius as a consultant for a period of approximately three months to assist in the transition period after his departure. He will provide services on an as-needed basis at a rate of \$100.00 per hour. Effective May 1, 2021 Wylie Hui became Chief Financial Officer and Corporate Secretary.

**Pension Plan Benefits, Defined Contribution Plans and Deferred Compensation Plans**

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

## NEO Termination and Change of Control Benefits

Each of Diana Hu, Rowland Wallenius and Andrea Zhang is party to an employment or consulting agreement with the Company. Such agreements establish the base salary and right to participate in the Company's bonus and long-term incentive plan and provide for payments and benefits on their involuntary termination without cause, as applicable. The agreements provide for the following payments and benefits following their resignation, involuntary termination without just cause or a change of control:

- the independent consultant agreement between the Company and Oriental Fortune Consulting Services Limited, a company having its corporate offices in Hong Kong, China which is controlled by Andrea Zhang, provides for that the Company is required to provide three months notice or pay salary and bonus due to termination of this company for any reason, plus one month additional notice or pay one month salary and bonus for each additional year of employment after the first year of employment, up to a maximum of six months of salary and bonus as a termination fee. In the event of a termination by either party, the agreement provides that the Company pay for services properly performed under the agreement to the date of termination. All options held by Mr. Zhang vest concurrently with such a termination and have 30 days to be exercised.

Prior to 2018, neither Ms. Hu's nor Mr. Wallenius' agreements with the Company provided for the payment of any sum following their resignation, involuntary termination or a change of control. However, Ms. Hu and Mr. Wallenius had each signed a new contract effective January 1, 2018 which provides for the following payments following termination of employment:

- Diana Hu's employment agreement dated January 1, 2018 provides for that the Company is required to provide three months notice or pay salary and bonus due to termination of the Executive for any reason, plus one month additional notice or pay one month salary and bonus for each additional year of employment after the first year of employment, up to a maximum of six months of salary and bonus as a termination fee. The monthly salary of Ms. Hu under the agreement is now \$30,250. All options held by Ms. Hu vest concurrently with such a termination and expire 30 days after such termination.
- Rowland Wallenius' employment agreement dated January 1, 2018 provides for that the Company is required to provide three months notice or pay salary and bonus due to termination of the Executive for any reason, plus one month additional notice or pay one month salary and bonus for each additional year of employment after the first year of employment, up to a maximum of six months of salary and bonus as a termination fee. The monthly salary of Mr. Wallenius under the agreement was \$19,250.00 (the level in 2020). All options held by Mr. Wallenius vest concurrently with such a termination and expire 30 days after such termination.

Each of Diana Hu, Rowland Wallenius and Andrea Zhang are required by their respective agreements to not solicit officers, employees or agents of the Company for one year following the termination of their respective agreement and they are also required to maintain the confidentiality of the Company's confidential information.

The following table provides details regarding the estimated incremental payments from Eastplats to each of the NEOs assuming termination on December 31, 2020:

Name	Severance (Base Salary) (\$)	Severance (Bonus) (\$)	Severance (Value of Benefits) (\$)	Total (\$)
Diana Hu	190,575.00	-	-	190,575.00
Rowland Wallenius <sup>(1)</sup>	115,500.00	-	-	115,500.00
Andrea Zhang	159,390.00	-	-	159,390.00
Hannelie Hanson <sup>(2)</sup>	-	-	-	-

### Notes:

- Mr. Wallenius resigned as Chief Financial Officer and Corporate Secretary on April 2, 2021. The Company has engaged Mr. Wallenius as a consultant for a period of approximately three months to assist in the transition period after his departure. He will provide services on an as-needed basis at a rate of \$100.00 per hour. Effective May 1, 2021 Wylie Hui became Chief Financial Officer and Corporate Secretary.
- Ms. Hanson did not have a termination clause at December 31, 2020.



**Director Compensation – Compensation Table** The following compensation table sets out the total compensation paid to each of the Company’s directors (who are not NEOs) for the year ended December 31, 2020.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total (\$)
Michael Cosic	44,438.63	-	24,432	-	-	-	68,870.63
George Dorin	57,624.75	-	24,432	-	-	-	82,056.75
Xin (Alex) Guan	40,083.13	-	24,432	-	-	-	64,515.13
Bielin Shi	40,930.27	-	24,432	-	-	-	65,362.27

**Notes:**

- (1) Amounts represent the grant date fair value of the Options awarded to the Director, calculated in accordance with the Black-Scholes model, which the Company determined to be the most accurate measure of value, using the market price of the Common Shares as at the grant date. The key valuation assumptions used for 2020 were stock price volatility of 60.98%, risk free interest rate of 0.5%, no dividend yield, and an expected option life of five years.

**Director Compensation - Outstanding Share-Based and Option-Based Awards**

The following table sets forth information with respect to outstanding option-based awards made to directors (that are not NEOs) that were outstanding as at December 31, 2020. The directors do not receive any share-based awards.

Name	Option-Based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Michael Cosic	100,000	1.05	July 4, 2021	-	-	-	-
	100,000	0.32	November 9, 2022	8,500			
	150,000	0.21	June 13, 2024	29,250			
	150,000	0.37	October 16, 2025	5,250			
George Dorin	100,000	1.05	July 4, 2021	8,500	-	-	-
	100,000	0.32	November 9, 2022	29,250			
	150,000	0.21	June 13, 2024	5,250			
	150,000	0.37	October 16, 2025				
Xin (Alex) Guan	100,000	0.39	April 26, 2023	1,500	-	-	-
	150,000	0.21	June 13, 2024	29,250			
	150,000	0.37	October 16, 2025	5,250			
Bielin Shi	100,000	1.05	September 20, 2021	-	-	-	-
	100,000	0.32	November 22, 2022	8,500			
	150,000	0.21	June 13, 2024	29,250			
	150,000	0.37	October 16, 2025	5,250			

**Notes:**

- (1) Options vest 90 days from the date of grant.  
(2) The "in-the-money" amount is based on the difference between the closing price of the Common Shares on December 31, 2020 of \$0.405 on the TSX, being the last day which the Common Shares traded in 2020 and the exercise price of the Options.

### Director Compensation - Incentive Plan Awards - Value Vested or Earned During the Year

The following table discloses incentive plan awards held by the directors that vested during the year ended December 31, 2020. The Directors did not receive any share-based awards.

Name	Option-Based Awards - Value vested during the year (\$) <sup>(1)</sup>	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Michael Cosic	0	-	-
George Dorin	0	-	-
Xin (Alex) Guan	0	-	-
Bielin Shi	0	-	-

**Notes:**

- (1) Represents the aggregate "in-the-money" amount that would have been realized if the vested in-the-money Options had been exercised on the vesting date.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as at December 31, 2020 with respect to Common Shares that may be issued under the Original Option Plan and the Option Plan. The Company has ceased granting any Old Options under the Original Option Plan and the Option Plan is now the sole equity compensation plan of the Company.

Plan Category	Number of Common Shares 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 Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders <sup>(1)</sup>	600,000	1.05	-
Equity compensation plans approved by security holders <sup>(2)</sup>	4,820,000	0.34	4,643,903
Equity compensation plans not approved by security holders	-	-	-
<b>Total</b>	5,420,000	0.39	4,643,903

**Notes:**

- (1) The Original Option Plan provides for the grant of stock options for the purchase of up to 7,900,000 of the issued and outstanding Common Shares.
- (2) The 2016 Stock Option Plan renewed in 2019 provides for the grant of stock options for the purchase of up to 10% of the issued and outstanding Common Shares.

In 2020 there were 1,820,000 Options granted under the Option Plan, which resulted in a burn rate of 1.8%, calculated as described in Section 613(p) of the TSX Company Manual with respect to the number of issued and outstanding Common Shares (total number of Options issued in a fiscal year, divided by the weighted average number of outstanding Common Shares for that year). In 2019 there were 1,800,000 Options granted under the Option Plan which resulted in a burn rate of 1.9%, and in 2018 there were 300,000 Old Options granted under the Original Option Plan which resulted in a burn rate of 0.3%.

The stock option annual grant rate over the past three years is as follows:

Year	Number of Common Shares Issued and Outstanding as at December 31	Number of Options Granted During the Year	Options Granted During the Year as a percentage of issued and outstanding Common Shares for the year
2020	100,639,032	1,820,000	1.8%
2019	92,639,032	1,800,000	1.9%
2018	92,639,032	300,000	0.3%

The Company's annual burn rate is subject to change from time to time based on the number of stock options granted and the total number of Common Shares issued and outstanding.

## **CORPORATE GOVERNANCE**

The following provides information with respect to the Company's compliance with the corporate governance requirements of the Canadian Securities Administrators set forth in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and Form 58-101F1 – *Corporate Governance Disclosure*.

### **Board of Directors**

The Company's Board is composed of five directors. At the Meeting the Company proposes to elect five directors (each a "**Nominee**") to the Board.

### ***Majority Voting Policy***

The Company has established a majority voting policy. Under the policy, any nominee proposed for election as a director in an uncontested election who receives a greater number of votes withheld than votes in favour of their election must immediately tender his or her resignation to the chairman of the Board. In such circumstances, the Committee will expeditiously consider the director's resignation and (absent exceptional circumstances) make a recommendation to the Board to accept the resignation. The Board will have 90 days from the date of the meeting to make a final decision and will promptly announce that decision (including, if applicable, the reasons for rejecting the resignation) through a news release. Any such resignation will take effect on acceptance by the Board. Any director who tenders his or her resignation will not participate in any meeting of the Board or any committee of the Board at which the resignation is considered. This policy applies only to uncontested elections of directors where the number of nominees is equal to the number of directors to be elected.

### ***Independence***

The Board considers a director to be independent if he meets the definition of independence set forth in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") and if he has no direct or indirect material relationship with the Company which, in the view of the Board, could reasonably be perceived to materially interfere with the exercise of the director's independent judgment.

The independent status of each individual director is reviewed annually by the Board. The Company has a Board that is comprised of a majority of independent directors. Four of the Board's five directors are deemed to be independent, and one is deemed to not be independent, as follows:

<b>Director</b>	<b>Independence status</b>	<b>Basis for determination regarding independence</b>
Diana Hu	Not Independent	Ms. Hu is President and Chief Executive Officer of the Company and, therefore, does not meet the definition of independence set forth in NI 52-110.
Michael Cosic	Independent	Mr. Cosic has no direct or indirect material relationship with the Company as defined in NI 52-110.
George Dorin	Independent	Mr. Dorin has no direct or indirect material relationship with the Company as defined in NI 52-110.
Xin (Alex) Guan	Independent	Mr. Guan has no direct or indirect material relationship with the Company as defined in NI 52-110.
Bielin Shi	Independent	As of August 2020, Dr. Shi has had no direct or indirect material relationship with the Company as defined in NI 52-110 for the past three years.

***Role of the Chair***

The Chair of the Board, George Dorin, is an independent director, as indicated above. The Chair presides at all meetings of the Board and is responsible for the operation and functioning of the Board and for ensuring the Board's effectiveness by encouraging full participation, thorough discussions and by facilitating consensus.

***Board and Committee Meetings***

The fact that the majority of Board members are independent facilitates the Board's exercise of independent supervision over management. At this time, the independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, individual committees meet without management as appropriate and the Board will, in appropriate circumstances, meet separately from non-independent directors and the independent directors will have open and candid discussions among themselves.

The Audit Committee members, all independent directors, routinely meet with representatives of the Company's auditors, without management in attendance, immediately after each regularly scheduled quarterly Audit Committee meeting. After such meetings, if deemed necessary by its members, the Audit Committee will then meet without the auditors and management in attendance.

The following table summarizes directors' attendance at all Board and committee meetings during the year ended December 31, 2020:

Director	Board of Directors		Independent Directors <sup>(1)</sup>		Audit Committee		Corporate Governance and Compensation Committee <sup>(1)</sup>		Corporate Social Responsibility, Safety, Health and Environmental Committee	
	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend	# of meetings attended	# of meetings eligible to attend
Diana Hu	9	9	n/a	n/a	n/a	n/a	n/a	n/a	4	4
Xin (Alex) Guan	9	9	n/a	n/a	5	5	1	1	4	4
Michael Cosic	9	9	n/a	n/a	5	5	1	1	n/a	n/a
George Dorin	9	9	n/a	n/a	5	5	1	1	n/a	n/a
Bielin Shi	9	9	n/a	n/a	n/a	n/a	n/a	n/a	4	4

Director	Special Committee	
	# of meetings attended	# of meetings eligible to attend
Diana Hu	n/a	n/a
Xin (Alex) Guan	2	2
Michael Cosic	n/a	n/a
George Dorin	n/a	n/a
Bielin Shi	n/a	n/a

**Note:**

(1) No meetings of independent directors of the Company were held in 2020.

## Directorships

The following table provides information about directors of the Company who are also directors of other reporting issuers (or equivalent) or publicly-traded entities.

Director	Issuer	Exchange
Diana Hu	-	-
Michael Cosic	Benchmark Botanics Inc.	CSE
George Dorin	Gourmet Ocean Products Inc.	NEX
	China Keli Electric Company Ltd.	NEX
	Benchmark Botanics Inc.	CSE
Xin (Alex) Guan	-	-
Bielin Shi	China Gold International Resources Corp. Ltd.	TSX

### *Board Mandate*

The Board has a written mandate that governs the Board (the “**Board Charter**”). The Board Charter is attached to this Information Circular as Schedule “A”. Additionally, the Board is empowered by governing corporate law, the Company’s Articles and its corporate governance policies to manage or supervise the management of the affairs and business of the Company. The Board carries out its responsibilities directly and through four Board committees, the Audit Committee, the Corporate Governance and Compensation Committee, Corporate Social Responsibility, Safety, Health and Environmental Committee and the Special Committee, each of which operate under a written committee mandate approved by the Board. The Board meets regularly on a quarterly basis and holds additional meetings as required to deal with the Company’s business. Independent directors also meet regularly on Committees without the presence of related directors and management.

### *Board Assessments*

The Board conducts self-assessments as deemed necessary by the Corporate Governance and Compensation Committee or the Board as a whole. This Board was first elected on July 5, 2016 and has had several changes during the year. The Board did conduct a self-assessment review during 2017 and adjusted its compensation in November of 2017 following such review. As part of the ongoing corporate governance review of the Company, the Board conducts periodic reviews. During 2021 the Board will consider confidential questionnaire regarding such matters as Board effectiveness, composition, and its relationship with management. In response to the results of this proposed review, the Board can consider and will be able to make appropriate changes to improve Board effectiveness.

Due to its small size, the Board has informally considered the effectiveness of the Board through informal and ad-hoc conversations regarding the matter, including during subcommittee meetings.

### *Position Descriptions*

The Board has adopted written charters for the three Board committees. Brief summaries of the role of the Board committees are provided below. The Board has developed written guidelines for the chair of the Board and each committee. The role of the Chief Executive Officer also has a written position description. The role of the Chief Executive Officer was delineated through industry norms and past practice. The Chief Executive Officer is responsible for carrying out all strategic plans and policies as established by the Board. The Chief Executive Officer is required

to report to the Board and advise and make recommendations to the Board. The Chief Executive Officer also facilitates communications between the Board and other members of management, employees and Shareholders.

### ***Director Orientation and Continuing Education***

The Board has not developed a formal orientation policy for new directors. The Board has an informal orientation program in which a new director will meet with executive management, the Chair of the Board, the Chair of the Compensation and Corporate Governance Committee and possibly incumbent directors, prior to being invited to join the Board, as well as after being accepted to the Board. Such meetings facilitate the exchange of information, ideas and questions amongst all participants. New directors are provided with written materials both to aid in their familiarization with the Company and to inform them of their obligations as a director. Such information includes governance policies such as the Company's code of business conduct and ethics, whistleblower policy, disclosure policy, committee charters, and also includes corporate information such as financial statements.

At each Board and committee meeting, executive management routinely provides directors with presentations and verbal updates on matters relevant to the Company such as operational issues, market conditions, sales trends, industry issues, competitive conditions, financial position, and strategic considerations. Directors are encouraged to attend and participate in seminars and other continuing education programs, with the cost of such programs being reimbursed by the Company.

The Company ensures that there are informal opportunities for directors to meet with senior members of the Company which offers the opportunity for individual Board members to ask questions and enhance their knowledge and clarify their understanding of various issues, and gain additional exposure to help evaluate the knowledge, capability and conduct of the senior management team.

In order to ensure that directors maintain the skill and knowledge necessary to meet their obligations as directors, the Company encourages its directors to take director education and training courses offered by associations and postsecondary institutions. As a CPA, the Chairman of the Board is required to undertake a minimum amount of Professional Development over a rolling three-year cycle. Directors are reimbursed for the expense of these training courses.

### ***Ethical Business Conduct***

The Company has a code of conduct and business ethics (the "**Code of Conduct**") which sets out guidelines and expectations regarding conduct on the part of directors, officers and employees of the Company. The Code of Conduct is available on the Company's website at [www.eastplats.com](http://www.eastplats.com) as well as on [www.sedar.com](http://www.sedar.com).

The Code of Conduct contains measures to ensure ethical business conduct, such as policies and requirements regarding insider trading and trading black-out periods.

The Board requires that directors provide disclosure to it of all boards and committees of which they are members and all offices held in other reporting issuers. The Board also requires conflicts of interest to be disclosed to the Corporate Governance and Compensation Committee. In the event that conflicts of interest arise, a director who has such a conflict is required to disclose the conflict and to abstain from voting for or against any decision related to that matter. In addition, in considering transactions and agreements in respect of which a director has a material interest, the Board will require that the interested person absent themselves from portions of Board or committee meetings so as to allow independent discussion of points in issue and the exercise of independent judgment.

The Company has not adopted term limits for individual directors. The Board believes that individuals can continue to remain effective directors beyond a maximum period of service. Without having term limits, the Company has experienced turnover on its Board that has brought directors with new perspectives and approaches. This has complemented the depth of knowledge and insight about the Company and business operations that the Company's long-standing directors have developed over time.

In order to monitor compliance with the Code of Conduct, the Board communicates directly with various members of management periodically throughout the year to keep updated on activities outside of formal Board meetings.

### *Diversity*

The Board believes in diversity and values the benefits that diversity can bring to its workforce, including its senior management and the Board. The Company believes that its needs are best served by first identifying and screening all fully qualified candidates for leadership roles, in the context of the skills, expertise, and experience which the Board and Company requires for an individual to be effective in their role. However, gender and other forms of diversity are important and valuable considerations in selecting from amongst qualified candidates.

The Board Charter recognizes the benefits of diversity and is committed to achieving and maintaining reasonable diversity among the members of the Board and senior management, considering their skills, experience and qualities, as well as their gender. The Board believes gender diversity is a significant aspect of diversity and acknowledges the role that women can play in contributing to diversity of perspective in the boardroom. Since it is difficult to predict the timing of future hiring and the ability to identify candidates who offer diversity while meeting or exceeding the requirements of specific positions, formal Board or management diversity percentage targets and specific dates by which it is intended that the Company satisfy those targets, have not been established by the Company. The Company currently has a female President, Chief Executive Officer and Director.

The Company's approach to diversity is intended to encourage respect for and appreciation of, diversity in a broad sense, in all leadership roles. Although the Board does not have a formal diversity policy, the Board is considering various diversity measures in its corporate governance practices and will review appropriate options during the next corporate governance review. As of the date hereof, 20% (one out of five) of the Nominees is a woman, and 33% (one out of three) of the Company's executive team is a woman.

### *Nomination of Directors*

In order to encourage an objective nomination process, the Board has adopted a formal policy for the recruitment of new candidates to the Board (the "**Advance Notice Policy**"). The Advance Notice Policy's purpose is to provide Shareholders, directors and management of the Company with a clear framework for nominating directors of the Company. The Advance Notice Policy establishes a deadline by which holders of record of Common Shares of the Company must submit director nominations to the Company prior to any annual general or special meeting of Shareholders and sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of Shareholders. Typically, the Chief Executive Officer and the Chair of the Corporate Governance and Compensation Committee collaborate in the candidate selection process. When considering potential candidates for the Board, they take into consideration the areas of expertise in which the Board would realize added benefit through diversity of professional experience and knowledge, the appropriate size of the Board and the ratio of independent to non-independent directors. The Advance Notice Policy requires that nominations of persons for election to the Board may only be made:

- (a) by or at the direction of the Board, including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more Shareholders pursuant to a proposal made in accordance with the provisions of the Act;
- (c) by any person (a "**Nominating Shareholder**"):
  - (i) who, at the close of business on the date of the giving of the notice provided for in the Advance Notice Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
  - (ii) who complies with the notice procedures set for in the Advance Notice Policy.

Further, the Corporate Governance and Compensation Committee is tasked with making recommendations to the Board in relation to the identification, selection and nomination for election or appointment of the directors of the Company. The Corporate Governance and Compensation Committee, in fulfilling this mandate, gives due



consideration to, among other things, achieving and maintaining a reasonable diversity of gender, age, term of service, race, ethnicity, geographical origin and cultural background of the Board as a whole.

### ***Board Committees***

The Company has four Board Committees: the Audit Committee, the Corporate Governance and Compensation Committee, the Corporate Social Responsibility, Safety, Health and Environmental Committee, and the Special Committee.

#### ***Audit Committee***

The Audit Committee assists the Board in fulfilling its responsibilities for oversight of financial and accounting matters. In addition to recommending the auditors to be nominated and reviewing the compensation of the auditors, the Audit Committee is responsible for overseeing the work of the auditors and pre-approving non-audit services. It also reviews the Company's annual and interim financial statements and news releases containing information taken from the Company's financial statements prior to their release. The Audit Committee is responsible for reviewing the acceptability and quality of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.

The current members of the Audit Committee are: Michael Cosic (Chair), George Dorin and Xin (Alex) Guan. All are independent directors and all are financially literate.

Mr. Cosic is a CFA charterholder, holds an MBA and has been Chief Financial Officer for several public and private companies providing him with the education, experience and knowledge required of a financially literate person.

Mr. Dorin is a CPA, CA, holds an MSc(Econ), FCSI, and CF and has over 40 years of broad-based financial experience, including over 20 years as a Corporate Director or Chief Financial Officer for several private and public companies providing him with the education, experience and knowledge required of a financially literate person.

Mr. Guan holds an MBA and is a director and officer of several companies and has significant business experience in his roles over the years. These various roles provide him with the education, experience and knowledge required of a financially literate person.

The Audit Committee has a published mandate which is disclosed in the Company's Annual Information Form (the "AIF"), filed with Canadian securities regulators and posted under the Company's profile at [www.sedar.com](http://www.sedar.com), and is posted on the Company's website, [www.eastplats.com](http://www.eastplats.com). For additional information on the Audit Committee, please see the section of the AIF titled "Audit Committee".

#### ***Corporate Governance and Compensation Committee***

The Corporate Governance and Compensation Committee assists the Board in fulfilling its oversight responsibilities relating to the governance of the Company, its relationship with senior management, and compensation. The Committee's role includes developing and monitoring the effectiveness of the Company's system of corporate governance, assessing the effectiveness of individual directors, the Board and various board committees, and is responsible for appropriate corporate governance and proper delineation of the roles, duties and responsibilities of management, the Board and its committees. The Committee's role includes maintaining a remuneration and benefits plan for directors, executives and other key employees, and reviewing the appropriateness of that plan in order to support the Company's business objectives and attract and retain key executives. The committee adjusts the plan in response to that review. The Committee also reviews and makes recommendations to the Board regarding the Company's equity compensation plans and grants thereunder. The current members of the Committee are George Dorin (Chair), Michael Cosic and Xin (Alex) Guan, all of whom are independent directors. Each member has direct experience relevant to his responsibilities in executive compensation. During 2020, the Committee reviewed and made changes to executive compensation to align with market practices. This process will continue in 2021 as the Committee continues to assess appropriate compensation for its executive officers as operations evolve.

### ***Corporate Social Responsibility, Safety, Health and Environmental Committee***

The members of the Corporate Social Responsibility, Safety, Health and Environmental Committee are Bielin Shi (Chair), Xin (Alex) Guan and Diana Hu along with selected senior management in South Africa. This committee assists the Board in its oversight responsibilities relating to the development, review, and evaluation of the Company's corporate social responsibility, safety, health and environmental objectives, and the monitoring of compliance with applicable safety, health and environmental laws and regulations. The committee meets quarterly and on an ad hoc basis, as required.

### ***Special Committee***

On advice of legal counsel, the Board at a meeting held September 28, 2018 determined that it was in the best interests of the Company to establish a special committee of its members, to conduct an investigation into a letter from a Shareholder, 2538520 Ontario Limited (the "**Complainant**"), urging the Company to commence a derivative action under Section 232 and 233 of the Act in relation to a complaint regarding the Framework Agreement dated March 1, 2018 entered into between the Company and Union Goal Offshore Solution Limited. On November 6, 2018, the Company received a petition filed with the Supreme Court of British Columbia, by the Complainant, seeking leave from the court to commence a derivative action on behalf of the Company against certain of its current and former directors in relation to the approval of the March 1, 2018 transaction. The special committee completed an investigation, review and analysis of the allegations made by the Complainant and in December 2018 made a recommendation to the Board that it was not in the best interests of the Company to commence a derivative action as urged by the Complainant and to otherwise oversee and direct the Company's response to the Complainant. As such, the Company filed its opposition to the petition, sought security for costs and this petition was dismissed in August 2019. On September 27, 2019, the Complainant filed an appeal of the judgement which was heard on June 1, 2020 and dismissed on November 16, 2020. In January 2021, the Complainant sought leave to appeal to the Supreme Court of Canada. The Company has opposed the granting of leave and is of the view that this petition is without merit and that no provision in this matter is required.

During December 2020, the Company received a petition filed with the Supreme Court of British Columbia, by Xiaoling Ren, a shareholder of the Company, seeking leave from the court to commence a derivative action on behalf of the Company against certain of its current and former directors. Ms. Ren is represented by the same law firm who filed a similar petition in November 2018 for the Complainant, which was dismissed in 2019 and the appeal denied in November 2020. The special committee conducted review and analysis of the allegations made by Ms. Ren and made a recommendation to the Board that it was not in the best interests of the Company to commence a derivative action as urged by Ms. Ren. The Company intends to vigorously oppose the granting of the petition and the claims and allegations made. The Company has filed its response.

Currently the member of the Special Committee is Mr. Xin (Alex) Guan.

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

Other than as set forth in this Information Circular, no person who has been a director or senior officer of the Company at any time since the beginning of the last financial year, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, proposed director, executive officer, nor any of their respective associates or affiliates, is or has been indebted to the Company or its subsidiaries since the beginning of the Company's most recently completed financial year.

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

Other than as set out in this Information Circular, no informed person, no director of the Company and no associate or affiliate of any informed person or director has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### **OTHER BUSINESS**

As of the date hereof, management of the Company is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Common Shares represented thereby in accordance with their judgment pursuant to the discretionary authority conferred by the proxy with respect to such matters.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) and is contained in the AIF for the year ended December 31, 2020. Financial information is contained in the Company's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2020. In addition, a Shareholder may obtain copies of the Company's consolidated financial statements and management's discussion and analysis by contacting the Company at 1080-1188 West Georgia Street, Vancouver, British Columbia, V6E 4A2, Attention: Diana Hu, President and Chief Executive Officer.

## SCHEDULE "A"

### EASTERN PLATINUM LIMITED

#### CHARTER of the BOARD OF DIRECTORS

##### GENERAL

The principal role of the Board of Directors (the "**Board**") is the stewardship Eastern Platinum Limited (the "**Company**") and supervising the management of the business and affairs of the Company in keeping with the Board's obligations under applicable law.

The Board has adopted this mandate to set out the general expectations of the directors, the powers and authority of the Board and the principal duties and responsibilities of the Board and its Committees in carrying out its stewardship role.

##### **1. Composition of the Board and Committees of the Board**

- 1.1 *Board Structure and Size.* The Board shall at least annually, based on the recommendations of the Corporate Governance and Compensation Committee, review and assess the structure, size and composition of the Board as a whole with a view to ensuring that the make-up of the Board will facilitate effective decision-making.
- 1.2 *Number of Directors.* Under the Company's Articles, the Board shall consist of the greater of three (3) directors and the number most recently set by ordinary resolution of the shareholders of the Company (or such lesser number elected or continuing in office as permitted under the Articles). If the Board considers it appropriate to increase or decrease the size of the Board, it will recommend and submit to shareholders an ordinary resolution to change the number of directors to be elected. The Board may, between Annual General Meetings, appoint one or more additional directors but the number of additional directors must not exceed one-third of the number of directors elected or appointed as directors, excluding those appointed as additional directors.
- 1.3 *Term Limits.* Under the Articles of the Company, the directors do not have staggered terms nor has the Company adopted term limits for the directors.
- 1.4 *Majority Independent.* The Board will nominate directors for election such that the Board will have a majority of directors who are non-executive directors and would be considered independent directors within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices, as adopted and amended from time to time by the Canadian securities regulatory authorities and who are otherwise free of any material relationship with the Company and any other persons which relationship could, in the opinion of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment.
- 1.5 *Board Composition.* The Board should seek to nominate members so that, as a whole, the Board will have members with such business, financial, regulatory, accounting and other expertise and knowledge of the mining industry and corporate governance practices sufficient to understand the Company's business and affairs and the associated risks to be able to effectively oversee and supervise the Company's management in carrying out the day-to-day business of the Company.
- 1.6 *Director Qualifications.* Each director proposed for nomination or appointment shall provide to the Corporate Governance and Compensation Committee such information or other records of their education, experience, skills and qualifications to allow the Committee and the Board to assess the director's independence, qualifications and contribution to the overall composition of the Board.
- 1.7 *Board Diversity.* The Board acknowledges the benefits of diversity and inclusion at the Board and senior management level for sustaining a competitive advantage and is committed to achieving and maintaining reasonable diversity among the members of the Board and senior management, considering their skills,

experience and qualities, as well as their gender, age, race, ethnicity, geographic origin and cultural background.

- 1.8 *Committees of the Board.* The Board may from time to time authorize and delegate to a committee of its members (including a single member) such of its duties and responsibilities as the Board may determine provided that any such Committee shall not exercise any power or authority which must by law be exercised by the Board as a whole. The Board shall be responsible for appointing the members of each Committee, having received the recommendation of the Corporate Governance and Compensation Committee.
- 1.9 *Standing Committees.* The Board has established and will maintain the following standing committees of the directors to assist the Board in discharging its responsibilities:
- (a) Audit Committee;
  - (b) Corporate Governance and Compensation Committee; and
  - (c) CSR, Health, Safety, Environmental and Risk Committee.

## **2. Expectations of the Directors' Generally**

- 2.1 *Legal and Statutory Duty and duty and Duty of Care.* As required by applicable law, the directors acknowledge and confirm their overriding statutory duties and duty of care to:
- (a) act in accordance with applicable law, including the *British Columbia Business Corporations Act*, applicable Canadian securities laws, rules and regulations and the Company's Articles and other policies or rules approved by the Board or shareholders of the Company;
  - (b) supervise the management of the business and affairs of the Company;
  - (c) act honestly and in good faith with a view to the best interests of the Company, and
  - (d) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### *2.2 Expectations of the Members of the Board Generally*

To fulfill their responsibilities, the Board has established the following general expectations for its members to:

- (a) develop and maintain an adequate understanding of the industry in which the Company operates including the legal, regulatory, business, competitive, political, social and environmental considerations;
- (b) develop and maintain an adequate understanding of the Company's operational and financial objectives, financial position, risks and performance;
- (c) endeavour to see that the Company's activities are at all times conducted in compliance with applicable laws, rules and regulations;
- (d) attend all the meetings of the Board and of any Committee of which he or she is a member and actively and constructively participate in the deliberations of the Board and each such Committee;
- (e) diligently prepare for every meeting of the Board or Committee of which he or she is a member including reviewing all meeting materials distributed in advance of any meeting and seeking such further information or clarification from management and outside advisors before or at the meeting so as to fully understand the issues under consideration;
- (f) actively participate with management in developing strategic plans, budgets and the overall corporate goals and objectives for the Company;

- (g) be available to and regularly liaise with and provide constructive counsel or advice to the senior executives or other Company personnel and to gain further insights into the Company's business, operations, risks and personnel;
- (h) become familiar with and adhere to applicable laws, rules and regulations with respect to the duties and responsibilities of the Board and its Committees and the Company's codes, policies and mandates;
- (i) preserve the confidentiality of the proceeding and deliberations of the Board or any Committee on any matter under consideration, except to the extent disclosure is required by applicable law and approved by the Board or an applicable Committee thereof;
- (j) respect the role of the CEO as the principal spokesperson for the Company and participate in external communications only at the request of the CEO or the Board, except as otherwise contemplated under any disclosure Policy adopted by the Company;
- (k) engage in director orientation and continuing education regarding the business of the Company, its industry and corporate governance matters, as appropriate;
- (l) exercise independent judgment consistent with their duties to the Company, regardless of the existence of other relationships or interests the director may have;
- (m) disclose to the Company, in writing or by having it entered in the minutes of meetings of the Board, the nature and extent of any disclosable interest that the director has in a material contract or material transaction, whether made or proposed, with the Company or any subsidiary or;
- (n) as may be required by law or any policy or code adopted by the Company, abstain from voting or recuse themselves from any deliberations on any resolution to approve any contract or transaction in which the director has a disclosable interest or is otherwise related or may have a conflict of interest; and
- (o) disclose to the Chair of the Corporate Governance and Compensation Committee and advance any intention to accept or consider appointment or engagement as a director or officer of any other public company, member of a committee of the board of any company of which he or she may be a director, any other relationship with a business, government, regulatory body, institution or stakeholder that may give rise to a question of independence or an actual or perceived conflict of interest or any role that may materially affect the director's ability to commit the time required to fulfil their duty as a director of the Company; and
- (p) perform such other duties or functions as may be assigned to them by the Board or as may be required by applicable law.

### **3. Board Meetings and Operations**

- 3.1 *Meetings.* The Board shall meet for the conduct of its business, adjourn and otherwise govern itself as it thinks proper to carry out its duties and responsibilities, subject to the terms of this Charter and applicable law.
- 3.2 *Chair.* The Board, after considering the recommendation of the Corporate Governance and Compensation Committee, shall appoint one of its independent directors to be the Chair. The Chair shall carry out such duties and responsibilities as are prescribed by the Board from time to time.
- 3.3 *Absence of Chair.* Should the Chair not attend any meeting or portion of any meeting, the members then in attendance shall designate another member of the Committee to act as chair of that meeting or portion of the meeting.

- 3.4 *Secretary.* The Chair at each meeting of the Board will designate a person to act as secretary or recording secretary of the meeting (who need not be a member of the Board or the Company's Corporate Secretary) to keep minutes at that meeting.
- 3.5 *Calling Meetings.* Meetings of the Board may be called:
- (a) by or on behalf of the Chair or by any member of the Board; or
  - (b) by or on behalf of the Chief Executive Officer of the Company.
- 3.6 *Notice of Meetings.*
- (a) Notice of the place, day and time of meetings of the Board shall be given by the person calling the meeting to each member of the Board not less than 48 hours before the time the meeting is to be held, unless all of the members consent to a shorter period or waive notice of any meeting.
  - (b) Notice of any meeting may be given orally, in person or by telephone or in writing and delivered by physical delivery, by facsimile to such number or by e-mail to such address as provided by the member for such use and notice will be deemed to have been given on the date and time on which it was so given or delivered.
  - (c) The Board may establish a fixed place, day or time or schedule for the holding of meetings, in which case no further notice of any meeting to be held at such place or time or schedule need be given to any member in advance of any previously scheduled meeting.
  - (d) No notice is required to be given for a meeting of the Board immediately following the Annual General Meeting of the shareholders of the Company.
  - (e) Unless a director attends solely for the purposes of objecting to the calling of or the business to be conducted at a meeting, a director who participates in a meeting will be deemed to have acknowledged or waived notice of and have agreed to participate in the meeting.
  - (f) Notice of any meeting will include an agenda or summary of the items of business to be dealt with at the meeting.
- 3.7 *Place or Means of Holding Meetings.* Meetings will be held at the time and at such place and by such means as the person calling the meeting may so determine, including meeting in person, by telephone, video-conference or other communications medium or by any combination of the foregoing, provided all of the directors participating in the meeting, whether in person or by other means are able to communicate with each other and all of the directors who wish to participate in the meeting agree to such participation. Unless a director attends solely for the purposes of objecting to the means by which a meeting will be conducted, a director who participates in a meeting in a manner contemplated herein will be deemed for all purposes to be present at the meeting and to have agreed to participate in that manner.
- 3.8 *Information for Meetings.* The person calling a meeting of the Board will, to the extent possible, provide such information or other documents along with the notice of or in advance of any meeting to permit the directors to understand the purposes for which the meeting has been called and to permit them to form a reasoned decision on the matters to be considered.
- 3.9 *Access to and Inspection of Records.* The directors shall have the right to inspect and make copies, extracts or summaries of any relevant records of the Company and its subsidiaries or to request such information or assistance from the officers, employees and advisors of the Company and its subsidiaries, as the directors may consider necessary to carry out their duties and responsibilities and such persons shall be directed to cooperate with and provide such records or information as requested.
- 3.10 *Officers and Others Required Attendance at Board Meetings.* If requested to do so by the Chair or the person calling a meeting of the Board, , the Chief Executive Officer, Chief Financial Officer and any other officer or employee of the Company or any of its subsidiaries (in each case, if not a director) shall attend as a non-

voting observer or attendee of a meeting of the Board or any portion thereof at which their attendance is required, provided that for greater certainty, such persons shall not otherwise have the right to attend any meeting or subsequent meeting of the Board.

- 3.11 *Other Participants Permitted Attendance at Board Meetings.* The Board may consent to the attendance of any other person invited by a director to attend at a meeting of the Board as a non-voting observer or attendee, including the attendance of any officer or employee of the Company or any of its subsidiaries, any professional advisor or consultant to the Company, to the Board or to any member thereof, provided that for greater certainty such persons shall not have the right to attend any meeting or subsequent meeting of the Board.
- 3.12 *Quorum.* A majority of the members of the Board constitutes a quorum of the Board, and notwithstanding any vacancy on the Board, a quorum may exercise all of the powers and authority of the Board. If the number of members of the Board is an even number, one-half of the number of members plus one shall constitute quorum. Where a quorum for a meeting is established at the commencement of the meeting but is subsequently lost, the meeting will be adjourned or terminated and no further business conducted at that meeting.
- 3.13 *Majority Vote Governs.* Any resolution of the Board will be decided by a majority vote of the Board members entitled to vote on that matter, where each director attending or participating in a meeting is entitled to one vote unless they are required to abstain from voting under applicable law. In the event of an equality of votes, the Chair will not have a second or casting vote.
- 3.14 *In-camera meetings.* The independent members of the Board shall meet in-camera without management or non-independent directors at each meeting of the Board or otherwise from time to time as appropriate and during such in-camera sessions may appoint an alternate secretary or recording secretary to keep minutes of that portion of the meeting, which records will be kept by the Chair and made available to the Board as the Chair sees fit.
- 3.15 *Consent Resolutions in Writing in Lieu of a Meeting.* The powers of the Board may be exercised by resolution in writing signed by all of the directors who would be entitled to vote on that resolution at a meeting of the Board.
- 3.16 *Minutes and Other Records.* The Board shall keep or cause to be kept the minutes and other records of its activities in which shall be recorded all actions, decisions and resolutions taken by the Board. The Chair of the Board will provide or cause to be provided copies of the minutes or other resolutions of the Board to the Company's Corporate Secretary.
- 3.17 *Execution of Instruments.* The Board may from time to time authorize any member or any officer or employee of the Company, to certify, or execute and deliver, all such statements, forms, instruments, certificates, notices and other documents, and to do all such acts and things as the Board may consider necessary or desirable in connection with the discharge of the duties and responsibilities of the Board.
- 3.18 *Director's Fees, Compensation and Expenses.* The Board may determine from time to time a policy or plan for the payment of fees, retainers or other emoluments for the non-executive members of the Board and for the reimbursement for reasonable communications, travel and accommodation expenses for their attendance at or participation in meetings of the Board or any Committee thereof.
- 3.19 *Access to Resources and Personnel.*
- (a) The Company shall provide the Board with such resources as may be necessary for the Board to discharge its responsibilities.
  - (b) The Board may request and the Company shall use its best efforts to cause any of its or its subsidiaries directors, officers, employees, accountants, controller, external legal, financial or other professional advisors, or other contractors or consultants, to provide such information or assistance, attend any meeting of the Board or to meet with any members of, or advisors to, the Board as it may reasonably request to carry out its duties and responsibilities.



- 3.20 *Advisors to the Board.* The Board may conduct or authorize such investigations into or studies of matters and on such terms and conditions as it may so determine, including as to the confidentiality of such investigations or studies or to preserve any privilege over any advice received. The Board shall have the authority to retain such consultants, legal counsel and other advisors of its choice and at the Company's expense, as the Board may consider necessary to assist it in carrying out its duties and responsibilities. Any such advisor may be any of the firms or persons who presently or in the past have represented the Company. The Company shall pay all fees and disbursements of any person or firm retained by the Board.
- 3.21 *Board Assessments and Reviews.* In conjunction with the Corporate Governance and Compensation Committee, the Board will approve of procedures for the assessment of the effectiveness of the Board, its Committees and the individual members of the Board in carrying out their respective duties and responsibilities, and shall carry out such reviews and assessments, not less frequently than annually.
- 3.22 *Review of Board and Committee Charters and Mandates.* In conjunction with the Corporate Governance and Compensation Committee, the Board will review and assess on a regular basis the adequacy of this charter or mandate for the Board and of each of the charters or mandates of the standing committees of the Board and such position descriptions of its Chairs and senior management and consider whether such charters or mandates appropriately address the matters that should be within the scope of the Board, Committee or office and make such changes to the charter or mandate or descriptions as the Board sees fit.

#### **4. Principal Duties and Responsibilities of the Board:**

##### 4.1 *Appointment and Oversight of Senior Management and Compensation Matters*

The Board is responsible for the appointment, compensation and oversight of the senior management of the Company, including:

- (a) *Appointment of the Chief Executive Officer.* The Board will appoint the Chief Executive Officer of the Company (the "CEO") and approve of the written terms of employment for the CEO, including compensation, benefits and other perquisites.
- (b) *CEO's Goals and Objectives.* In conjunction with the Corporate Governance and Compensation Committee, the Board shall establish and settle with the CEO written goals and objectives for the CEO and establish and administer suitable processes to monitor, at least annually, the CEO's performance against those goals and objectives.
- (c) *Other Senior Management.* In conjunction with the CEO and the Corporate Governance and Compensation Committee, the Board shall approve or ratify the appointment and compensation of other senior executive officers of the Company, including the Chief Financial Officer and Chief Operating Officer (or other officers with comparable level of responsibility).
- (d) *Management Integrity.* To the extent feasible, the Board will endeavour to satisfy itself as to the integrity of the CEO and other senior executive officers and that a culture of integrity is promoted throughout the Company.
- (e) *Succession Planning.* The Board will ensure that a process is established and administered with a view to the training, development and orderly succession of the CEO and other senior executives.
- (f) *Chair and Lead director.* In conjunction with the Corporate Governance and Compensation Committee, the Board will develop a written mandate for the Chair of the Board and the chair of each Committee and, if considered appropriate, for a Lead Director.

##### 4.2 *Internal Controls and Financial Reporting.*

The Board will have responsibility for establishing or overseeing the establishment and maintenance of appropriate systems for internal control, including:

- (a) *Compliance Processes.* The Board will ensure that the Company has systems, procedures and policies in place to identify and to operate in compliance with applicable laws, rules and regulations with respect to its financial reporting obligations and monitor and oversee its compliance therewith.
- (b) *Internal Controls.* In conjunction with the Audit Committee, the Board will oversee the development, adoption and maintenance of an adequate system of internal controls over financial reporting and management information systems and regularly review and monitor the effectiveness of the Company's internal controls and processes.
- (c) *Certifications of Financial Results.* In conjunction with the Audit Committee, the Board will ensure that adequate systems, processes and controls are in place with respect to the applicable certification requirements for the Company's financial statements and other prescribed disclosures.
- (d) *Review and Approval of Financial and Other Prescribed Disclosures.* In conjunction with the Audit Committee and such other Committees of the Board as may be necessary, the Board will review and approve the Company's annual and interim financial statements and associated Management's Discussion and Analysis, Annual Information Form, Information Circular, Prospectus, Registration Statement and such other prescribed disclosure documents or any disclosure documents incorporated by reference therein.

#### 4.3 *Strategic Planning and Budgeting.*

The Board will establish and approve of an annual strategic plan and budget for the Company, including:

- (a) *Strategic Planning.* The Board will be responsible for overseeing management's development of an annual review and strategic planning process for the Company and the development, for approval by the Board, of an annual strategic plan for the Company.
- (b) *Budgets.* The Board will be responsible for overseeing management's development, for approval by the Board, of an annual budget for the Company, including operating budgets and any planned material capital expenditures.
- (c) *Monitoring Strategic Plan and Budgets.* The Board will from time to time monitor the Company's performance against the approved strategic plan and operating and capital budgets and recommend or approve of any material changes or departures from the approved strategic plan or budgets as the Board sees fit.
- (d) *Extraordinary Items.* In addition to such matters as are required to be submitted to the Board for approval or ratification under applicable law or any statement of authority adopted by the Company, the Board will consider, review and approve of all other material transactions or matters outside of the ordinary course of the Company's business or involving a related party of the Company.

#### 4.4 *Code of Business Conduct.*

The Board is responsible for setting the overall codes, practices and policies with a view to developing, encouraging and monitoring a culture of compliance and ethics within the company, including:

- (a) *Establish a Code of Business Conduct.* The Board will oversee the development and approve a written Code of Business Conduct (the "**Code**") with the objectives of promoting a culture of ethics and integrity among the directors, officers, employees of and contractors and consultants to the Company and its subsidiaries.
- (b) *Monitor Compliance with the Code.* The Board will regularly monitor compliance with the Code and approve or delegate to a committee of the Board power and authority with respect to granting any waivers or approvals contemplated under the Code.
- (c) *CSR, Health, Safety, Environmental and Risk Policies.* In conjunction with the CSR, Health, Safety, Environmental and Risk Committee, ensure that the Company has adequate systems, policies and

programs in place for the corporate and social responsibility, health, safety, wellness and security of the Company's workplaces, for the mitigation of any environmental impact of the Company's operations and to consider general areas of risk assessment and risk management for the Company.

#### 4.5 *Corporate Governance.*

The Board is responsible for establishing, monitoring and maintaining an adequate system for the proper governance of the Company, in keeping with requirements under applicable law, including:

- (a) *Governance Policies and Procedures.* The Board shall, based on the recommendations of the Corporate Governance and Compensation Committee, develop and establish an appropriate system of corporate governance including policies and procedures to ensure the Company is addressing its applicable legal and regulatory requirements and that the Board can function independently of management.
- (b) *Director Qualifications.* The Board shall, based on the recommendations of the Corporate Governance and Compensation Committee, determine Board member qualifications and regularly assess the independence, education, experience, competencies, skills and effectiveness of each individual director.
- (c) *Nomination of Directors.* After receiving the recommendations of the Corporate Governance and Compensation Committee, approve of the nomination of any individual for election or re-election or the appointment to the Board, including reviewing any nominees proposed under the Company's Advance Notice Policy.
- (d) *Majority Voting Policy.* After receiving the recommendation of the Corporate governance and Compensation committee, the Board will review, assess and make any determination required with respect to the resignation of any director under the Company's majority voting policy or any comparable law or rule that may be applicable with respect to the election of the directors.
- (e) *Board Committees.* The Board shall, in conjunction with the Corporate Governance and Compensation Committee, establish appropriate Committees of the Board in compliance with applicable law and to assist to Board in effectively carrying out its oversight role and regularly evaluate the effectiveness of each Committee and the adequacy of the mandate or charter of each Committee.
- (f) *Delegation of Authority.* In conjunction with the CEO and based on the recommendations of the Corporate Governance and Compensation Committee, approve written policies and procedures for the delineation of the powers or authority to be reserved by the Board and the delegation of and limits of authority of the CEO and of senior management of the Company and its subsidiaries and matters that must be submitted by senior management to the Board for ratification or approval.
- (g) *Director Orientation and Continuing Education.* In consultation with the Corporate Governance and Compensation Committee, establish and maintain a plan for the orientation of each new director and for the continuing education of all the incumbent directors.
- (h) *Succession Planning.* The Board will review, develop and maintain a plan for the succession of the members of the Board.
- (i) *Appointment of the Auditor.* Based on the recommendation of the Audit Committee, the Board will recommend to shareholders for approval at the Company's Annual General Meeting, the appointment of the Company's independent auditor and the remuneration to be paid to the Auditor and subject to approval of the shareholders, appoint the external Auditor and approve their remuneration.

#### 4.6 *Disclosure and Communications*

The Board has overall responsibility to ensure the Company satisfies its continuous and periodic disclosure requirements under applicable corporate and securities legislation and the requirements of any stock exchange or trading facility on which the Company's securities may be traded, including:

- (a) *Disclosure Policies.* The Board has the responsibility to verify that the Company has in place adequate policies and procedures to enable the Company to communicate effectively with its shareholders, other stakeholders and the public generally and that all requisite filings are made with the applicable regulatory authorities, including overseeing the development of and adopting appropriate disclosure control, practices or a disclosure policy to ensure the timely and accurate disclosure of all required financial reports and material developments concerning the Company in accordance with applicable law and the requirements of any applicable stock exchange or trading facility.
- (b) *Shareholder Feedback.* The Board will ensure that the Company has establish procedures to permit shareholders to communicate with and provide feedback directly with the Board, the Chair or designated non-executive members of the Board.
- (c) *Reports on Reserves or Resources.* In conjunctions with any Qualified Person or other committee of the directors or officers of the Company knowledgeable on mining regulatory matters, the Board will ensure that adequate systems and policies are in place to ensure the accurate preparation, review and dissemination of any resource, reserve, feasibility, mining or geological results or reports.

#### 4.7 *Risk Management.*

The Board has responsibility for identifying, understanding and seeking to mitigate or manage the principal risks faced by the Company, including:

- (a) *Identification of Principle Risks.* The Board shall oversee the development by the senior executives of the Company of plans to identify, measure and understand the principal risks associated with the business and affair of the Company.
- (b) *Risk Management Systems.* The Board shall from time to time confirm that appropriate systems are in place for management of the Company to effectively monitor and seek to mitigate or manage those risks with a view to the long-term interests of the Company and to keep the Board informed with respect to risk management matters.
- (c) *Review of risk management systems.* The Board will oversee the periodic review and assessment of the adequacy of the Company's risk management policies, systems, controls and procedures with respect to the Company's principal business risks.

Effective Date: September 21, 2017

## APPENDIX “B”

### STOCK OPTION PLAN EASTERN PLATINUM LIMITED (THE “COMPANY”) STOCK OPTION PLAN (THE “OPTION PLAN”)

#### 1. Purpose

The purpose of the Option Plan is to provide Optionees with an incentive to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Company.

#### 2. Interpretation

In this Option Plan, unless there is something in the subject or context inconsistent therewith, words importing the singular number includes the plural and vice versa, words importing the masculine gender includes the feminine and neuter genders and the expressions following have the following meanings, respectively:

- a) **“Applicable Withholding Taxes”** has the meaning ascribed thereto in Section 13(i)(ii) of the Option Plan;
- b) **“Black-Out Expiry Date”** means ten (10) business days from the date that any Black-Out Period ends;
- c) **“Black-Out Period”** means a period of time imposed by the Company upon certain designated persons during which those persons may not trade in any securities of the Company;
- d) **“Board”** means the Board of Directors of the Company as constituted from time to time;
- e) **“Change of Control”** means:
  - (i) the acceptance by the Shareholders, representing in the aggregate more than fifty percent (50%) of all issued and outstanding Common Shares, of any offer, whether by way of a takeover bid or otherwise, for any or all of the Common Shares;
  - (ii) the acquisition hereafter, by whatever means (including, without limitation, by way of an arrangement, merger or amalgamation), by a Person (or two or more acting jointly or in concert), directly or indirectly, of the beneficial ownership of Common Shares or rights to acquire Common Shares, together with such Person’s then owned Common Shares and rights to acquire Common Shares, if any, representing more than fifty percent (50%) in aggregate of all issued and outstanding Common Shares (except where such acquisition is part of a bona fide reorganization of the Company in circumstances where the affairs of the Company are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);
  - (iii) the passing of a resolution by the Company or the Shareholders to substantially liquidate the assets or wind-up or significantly rearrange the affairs of the Company in one or more transactions or series of transactions (including by way of an arrangement, merger or amalgamation) or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where

such resolution relates to a liquidation, winding-up or re-arrangement as part of a bona fide reorganization of the Company in circumstances where the affairs of the Company are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);

- (iv) the sale by the Company of all or substantially all of its assets (other than to an affiliate of the Company in circumstances where the affairs of the Company is continued, directly or indirectly, and where the shareholdings of the Company remain substantially the same following the sale as existed prior to the sale);
  - (v) Persons who were proposed as nominees (but not including nominees under a shareholder proposal) to become directors of the Company immediately prior to a meeting of the Shareholders involving a contest for, or an item of business relating to, the election of directors of the Company, do not constitute a majority of the directors of the Company following such election; or
  - (vi) any other event which in the opinion of the Board reasonably constitutes a change of control of the Company;
- f) **“Committee”** means a committee of Directors appointed by the Board as contemplated by Section 3 hereof;
- g) **“Common Share”** means a common share in the capital stock of the Company and, after any adjustments pursuant to Section 7 hereof, means the shares or other securities or property which, as a result of such adjustments and all prior adjustments pursuant to Section 7, the holders of Options are then entitled to receive on the exercise thereof;
- h) **“Company”** means Eastern Platinum Limited and any successor or continuing corporation resulting from any form of corporate reorganization;
- i) **“Consultant”** means any person or company, other than an employee, officer or director of the Company or of a subsidiary of the Company that:
- (i) is engaged to provide services to the Company or a subsidiary of the Company, other than services provided in relation to a distribution of securities of the Company;
  - (ii) provides the services under a written contract with the Company or a subsidiary of the Company; and
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company, or a subsidiary of the Company;
- j) **“Early Termination Date”** means, in respect of any Option, 5:00 p.m. (Pacific time) on the date that an Option terminates prior to the Normal Expiry Date;
- k) **“Exercise Period”** means the time or times at which an Option may be exercised;
- l) **“Exercise Price”** means the purchase price per Common Share purchasable under an Option; determined as provided in Section 6(a) of this Option Plan;
- m) **“Expiry Date”** means the Normal Expiry Date or the Early Termination Date, as the case may be;
- n) **“Insider”** has the meaning ascribed thereto in the Toronto Stock Exchange Company Manual;

- o) **“Market Price”** means the volume weighted average trading price of the listed securities on the TSX for the five days immediately preceding the grant of the Option;
- p) **“Normal Expiry Date”** means, in respect of any Option, 5:00 p.m. (Pacific time) on the date determined by the Company and specified in the particular Option Agreement on which the Option would normally terminate, which date may not be later than ten years after the Option Date;
- q) **“Option”** means a right to purchase Common Shares pursuant to this Option Plan and an Option Agreement;
- r) **“Option Agreement”** means an agreement entered into between the Company and a Participant pursuant to which an Option is granted to a Participant and which contains such provisions not inconsistent with this Option Plan as the Board or the Committee may determine;
- s) **“Option Date”** means the date on which an Option is granted by the Company to a Participant which is the date on which the grant of the Option is approved by the Board or the Committee, as the case may be;
- t) **“Option Plan”** means this stock option plan;
- u) **“Optionee”** means a Participant who has entered into an Option Agreement with the Company;
- v) **“Person”** means any individual or entity, including a corporation, partnership, association, joint-share corporation, trust, unincorporated organization, or government or political subdivision of a government;
- w) **“Participant”** means, on any date, a person who is at least one of the following:
  - (i) regularly employed by the Company or one of its subsidiaries on that date;
  - (ii) an officer of the Company or one of its subsidiaries on that date;
  - (iii) a director of the Company or one of its subsidiaries on that date;
  - (iv) a Consultant to the Company or one of its subsidiaries on that date; or
  - (v) a corporation, the shares of which are wholly owned by a person described in subsection (i), (ii), (iii) or (iv);
- x) **“Shareholders”** means the holders of the Common Shares from time to time;
- y) **“Tax Act”** means the Income Tax Act (Canada) and the regulations thereto, as amended from time to time; and
- z) **“TSX”** means the Toronto Stock Exchange or, if the Common Shares are not then listed and posted for trading on the Toronto Stock Exchange, on such stock exchange in Canada on which such shares are listed and posted for trading as may be selected for such purpose by the Board.

### 3. **Administration, Participants and Allotments**

- a) The Board will administer the Option Plan. The Board may at any time or from time to time delegate to a Committee the responsibility for administering the Option Plan or elements thereof. The Board, or the Committee if so empowered, will determine from time to time those Participants to whom Options should be granted, the Normal Expiry Date, the number of Common Shares which should be optioned from time to time to any Participant, the Exercise Price and such other terms and conditions of the Option Agreement, not inconsistent with the Option Plan, as the Board or the Committee in its discretion may determine. The Board

or the Committee may prescribe rules and regulations relating to the Option Plan and any Options granted hereunder and may approve the form and content and prescribe the use of such forms of applications, directions, powers of attorney, and other documents or instruments, either generally or in specific cases, as may be deemed necessary or advisable, for the grant or issuance of Options under the Option Plan and for the proper administration and operation of the Option Plan. The Board or the Committee will review the Option Plan from time to time with a view to making revisions to it, granting additional Options and, in the case of the Committee, making appropriate recommendations to the Board. Nothing contained in the Option Plan or in any resolution adopted or to be adopted by the Board or by the Committee constitutes an Option hereunder. An Option granted by the Board or the Committee to a Participant pursuant to the Option Plan is subject to, and is of no force and effect until, the execution and delivery of, an Option Agreement by both the Company and such Participant.

- b) The Company is responsible for all costs of administration of the Option Plan.
- c) The implementation of the Option Plan, the grant or exercise of any Options pursuant to the Option Plan and, from time to time, the operation and administration of the Option Plan is subject to receipt by the Company of all necessary approvals, advance rulings, exemptions or registrations required or deemed advisable under applicable law or regulatory policy including without limiting the generality of the foregoing, all necessary approvals or registrations required by any and all stock exchanges upon which the Common Shares are listed and posted for trading.
- d) The Board or the Committee, as the case may be, may at any time and subject to regulatory approvals:
  - (i) discontinue or terminate the Option Plan; or
  - (ii) amend or revise the terms and conditions of the Option Plan; amend or revise the terms and conditions of the Option Plan and any outstanding Options granted under the Option Plan,

provided that no such action adversely affects any Options previously granted under the Option Plan or the rights of Optionees in respect of those Options without the prior written consent or agreement of those Optionees.

#### 4. **Common Shares Subject to the Option Plan**

- a) The maximum number of Common Shares issuable pursuant to Options issued and outstanding under the Option Plan and any other Security Based Compensation Arrangement shall not exceed ten (10%) percent of the aggregate number of issued and outstanding Common Shares at the time of grant of any Option. Provided that such maximum number of Common Shares is not exceeded, following the exercise, expiration, cancellation or other termination of any Options under the Option Plan, a number of Common Shares equal to the number of Options so exercised, expired, cancelled or terminated shall automatically become available for issuance in respect of Options that may subsequently be granted under the Option Plan.
- b) The aggregate number of Common Shares issuable pursuant to Options granted under the Option Plan and under any other Security Based Compensation Arrangement, if any, and:
  - (i) issued to Insiders, within any one year period, shall not exceed ten (10%) percent of the issued and outstanding Common Shares; and
  - (ii) (ii) issuable to Insiders, shall not exceed ten (10%) percent of the issued and outstanding Common Shares.

of issued and outstanding Common Shares is determined as the number of Common Shares that are issued and outstanding immediately prior to a proposed grant of Options.



## 5. **Participation Voluntary**

Participation in the Option Plan by a Participant is entirely voluntary and does not affect the Participant's employment or continued retainer by, or other engagement with, the Company or its subsidiaries. None of the Option Plan or any Options granted under the Option Plan of itself gives any Participant the right to continue to be an employee, officer, director or consultant of the Company or any subsidiary thereof. None of the terms and conditions governing the Option are affected by any change in the Optionee's employment by or engagement with the Company so long as the Optionee continues to be a Participant.

## 6. **Option Terms**

Each Option shall be evidenced by an Option Agreement in such form as may be approved by the Board or the Committee, as the case may be. Options will contain the following terms and conditions as the Board or the Committee, as the case may be, determines at the time of grant:

- a) The Exercise Price must not be less than the Market Price and upon exercise of the Option, must be paid in full in Canadian funds by certified cheque or bank draft payable to or to the order of the Company at the time of exercise.
- b) Subject to the terms of Section 7 of the Option Plan, the Board will determine the vesting conditions, the Exercise Period and the Expiry Date (provided it shall not exceed 10 years from the date of grant).
- c) If the Expiry Date of an Option is on a date during a Black-Out Period applicable to a Participant holding such Option, the Expiry Date shall be extended to the Black-Out Expiry Date.

## 7. **Termination of Employment**

Except as otherwise provided in the applicable Option Agreement or a written employment contract between the Company and a Participant, and subject to any express resolution passed by the Board or exercise of discretion by the Board, and further subject to the conditions that no Option may be exercised in whole or in part after the expiration of the period specified in the applicable Option Agreement:

- a) if, prior to the expiry of any Options, a Participant ceases to be a director, officer, employee or Consultant of the Company or one of its subsidiaries:
  - (i) by reason of the death or long term disability (as reasonably determined by the Company) of such Participant, then:
    - (A) all outstanding unvested Options granted to such Participant shall immediately and automatically terminate other than those Options which would have vested within the one year period following the date of such termination if such termination had not occurred, which Options shall for this purpose be deemed to be vested upon such termination; and
    - (B) only such Participant or the person or persons to whom such Participant's rights under the Options pass by such Participant's will or applicable law shall have the right to exercise part or all of such Participant's outstanding and vested Options (including, for greater certainty, any Options which are deemed to vest in accordance with Section 7(a)(i)(A) at any time up to and including (but not after) the earlier of: (i) the date which is one (1) year following the date of death or long term disability (as reasonably determined by the Company) of such Participant; or (ii) the Expiry Date(s) of such Options; or
  - ii) for any reason, other than as provided in Section 7(a)(i), then:

- (A) all outstanding unvested Options granted to such Participant shall, unless otherwise provided, immediately and automatically terminate; and
- (B) such Participant shall have the right to exercise part or all of his or her outstanding vested Options at any time up to and including (but not after) the earlier of: (i) the date which is thirty (30) days following the date of such termination, resignation or cessation of employment; and (ii) the Expiry Date(s) of the vested Options.

## 8. **Adjustments**

In the event:

- a) of any change or proposed change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
- b) of any issuance, dividend or distribution to all or substantially all the holders of Common Shares of any shares, securities, property or assets of the Company other than in the ordinary course;
- c) that any rights are granted to holders of Common Shares to purchase Common Shares at prices materially below fair market value; or
- d) that as a result of any recapitalization, merger, consolidation or otherwise the Common Shares are converted into or exchangeable for any other shares or securities;

then in any such case the Board may make such adjustment in the Option Plan and in the Options granted under the Option Plan as the Board may in its sole discretion (and without shareholder approval) deem appropriate to prevent substantial dilution or enlargement of the rights granted to, or available for, holders of Options, and such adjustments may be included in the Options.

## 9. **Change of Control**

If a Change of Control occurs, and unless otherwise provided in an Option Agreement or a written employment contract between the Company and a Participant and except as otherwise set out in this Section 9, the Board, in its sole discretion, may provide that: (1) the successor corporation will assume each Option or replace it with a substitute Option on terms substantially similar to the existing Option; (2) the Board may permit the acceleration of vesting of any or all Options; (3) the Options will be surrendered for a cash payment equal to the Market Price; or (4) any combination of the foregoing will occur, provided that the replacement of any Option with a substitute Option shall, at all times, comply with the provisions of subsection 7(1.4) of the Tax Act, and the replacement of any Option with a substitute Option shall be such that the substitute Option shall continuously be governed by Section 7 of the Tax Act.

## 10. **Amendment of Option Plan**

Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Option Agreement or in the Option Plan:

- a) Subject to the requirements of applicable law, rules and regulations, the Board may amend, alter, suspend, discontinue, or terminate the Option Plan without the consent of any Shareholder, Participant, or other holder of an Option, or other Person; provided, however, that, subject to the Company's rights to adjust Options under Section 8, any amendment, alteration, suspension, discontinuation, or termination that would impair the rights of any Participant or holder of an Option previously granted, will not to that extent be effective without the consent of the Participant or holder of an Option, as the case may be, such consent not to be unreasonably withheld; and provided further, however, that notwithstanding any other provision of the

Option Plan or any Option Agreement, without the approval of the Shareholders, no amendment, alteration, suspension, discontinuation, or termination will be made that would:

- (i) increase the total number of Common Shares available for Options under the Option Plan, except as provided in Section 4;
- (ii) reduce the Exercise Price or extend the Exercise Period of any Option;
- (iii) have the effect of cancelling any Options and concurrently reissuing such Options on different terms;
- (iv) otherwise cause the Option Plan to cease to comply with any tax or regulatory requirement, including for these purposes any approval or other requirement;
- (v) have the effect of amending this Section 10(a);
- (vi) modify or amend the provisions of the Option Plan in any manner which would permit Options, including those previously granted, to be transferable or assignable in a manner otherwise than as provided for by Section 13(c); or
- (vii) change the Participants under the Option Plan which would have the potential of broadening or increasing Insider participation.

Without limitation to the generality of the foregoing, Shareholder approval will not be required for any of the following types of amendments:

- (viii) amendments of a “housekeeping” nature; or
  - (ix) a change to the termination provisions of Options which does not entail an extension beyond the original Expiry Date.
- b) The Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Option previously granted, prospectively or retroactively; provided, however, that, subject to the Company’s rights to adjust Options under Section 8, any amendment, alteration, suspension, discontinuation, cancellation or termination that would impair the rights of any Participant or other holder of any Option previously granted, will not to that extent be effective without the consent of the Participant or other holder of an Option, as the case may be.

**11. Waiver**

No waiver by the Company of any term of this Option Plan or any breach thereof by an Optionee is effective or binding on the Company unless the same is expressed in writing and any waiver so expressed does not limit or affect its rights with respect to any other or future breach.

**12. Notices**

The manner of giving notices to the Company or to an Optionee is to be specified in the Option Agreement with such Optionee.

13. **General**

- a) This Option Plan and each Option granted under this Option Plan are to be governed by and construed in accordance with the laws of the Province of British Columbia and any Option Agreement entered into pursuant to this Option Plan is to be treated in all respects as a British Columbia contract.
- b) Nothing contained herein restricts or limits or is deemed to restrict or limit the rights or powers of the Board in connection with any allotment and issuance of shares in the capital stock of the Company which are not reserved for issuance hereunder.
- c) This Option Plan and any Option Agreement entered into pursuant hereto enure to the benefit of and are binding upon the Company, its successors and assigns. The interest of any Optionee hereunder or under any Option Agreement is not transferable or alienable by the Optionee either by assignment or in any other manner whatsoever and, during his lifetime, is vested only in him, but, subject to the terms hereof and of the Option Agreement, enures to the benefit of and is binding upon the legal personal representatives of the Optionee.
- d) Notwithstanding anything else herein contained, the Board may, in its sole discretion, at any time permit the acceleration of vesting of any or all Options.
- e) All Common Shares issued upon the exercise of any Option are to be issued as fully paid and nonassessable Common Shares.
- f) In the event of any conflict between the provisions of this Option Plan and an Option Agreement, the provisions of this Option Plan shall govern.
- g) Under no circumstances shall Options made under the Option Plan be considered Common Shares or other securities of the Company, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares or other securities of the Company, including, without limitation, voting rights, entitlement to receive dividends or other distributions or rights on liquidation, nor shall any Participant be considered the owner of Common Shares by virtue of any Option.
- h) Taxes and other withholdings:
  - (i) Neither the Company nor any subsidiary is liable for any tax or other liabilities or consequences imposed on any Participant as a result of the granting or crediting, holding, exercise, surrender or redemption of any Options under this Option Plan, whether or not such costs are the primary responsibility of the Company or subsidiary. It is the responsibility of the Participant to complete and file any tax returns which may be required under any applicable tax laws within the period prescribed by such laws; and
  - (ii) The Company or any subsidiary is authorized to deduct or withhold from any Option granted, from any payment due or transfer made under any Option or under the Option Plan or from any compensation or other amount owing to a Participant such amount as may be necessary so as to ensure the Company and any subsidiary will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions (the "Applicable Withholding Taxes"), and to take any other action as may be necessary in the opinion of the Company or subsidiary, acting reasonably, to satisfy all obligations for the payment of those Applicable Withholding Taxes, including, for greater certainty, requiring a Participant, as a condition to the exercise or redemption of an Option, to pay or reimburse the Company or Subsidiary, as applicable, for any Applicable Withholding Taxes. The Company or subsidiary may sell any Common Shares withheld, in such manner and on such terms as it deems appropriate, and shall apply the proceeds of such sale to the payment of Applicable Withholding

Taxes or other amounts, and shall not be liable for any inadequacy or deficiency in the proceeds received or any amounts that would have been received, had such Common Shares been sold in a different manner or on different terms.

- i) The grant of an Option will not be construed as giving a Participant the right to be retained in the employ, as an officer or director of the Company or any subsidiary. Further, the Company or an subsidiary may at any time dismiss a Participant from employment, as an officer or director, free from any liability, or any claim under the Option Plan, unless otherwise expressly provided in the Option Plan or in any Option Agreement.
- j) If any provision of the Option Plan or any Option is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person or Option under any law deemed applicable by the Board, that provision will be construed or deemed amended to conform to applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board, materially altering the intent of the Option Plan or the Option, that provision will be stricken as to that jurisdiction, Person or Option and the remainder of the Option Plan and any such Option will remain in full force and effect.
- k) No fractional Common Shares will be issued or delivered pursuant to the Option Plan or any Option, and, except as otherwise provided, the Board will determine whether cash, other securities, or other property will be paid or transferred in lieu of any fractional Common Shares or whether those fractional Common Shares or any rights thereto will be canceled, terminated, or otherwise eliminated.