



ORSU METALS CORPORATION

MANAGEMENT INFORMATION CIRCULAR AS AT JULY 22, 2022

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF ORSU METALS CORPORATION (THE “CORPORATION” OR “ORSU METALS”) FOR USE AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION (THE “MEETING”) (AND ANY ADJOURNMENT OR POSTPONEMENT THEREOF) TO BE HELD ON AUGUST 26, 2022, AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF MEETING. While it is expected that such solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Corporation at nominal cost. All costs of solicitation by management will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors and officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO BY INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A shareholder wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof, must, in all cases, deposit the completed proxy with the Corporation’s registrar and transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th floor, Toronto, Ontario, Canada, facsimile: within North America +1 (866) 249-7775 and outside North America +1 (416) 263-9524 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof. The time limit for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion without notice.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his, her or its attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the Corporation’s registrar and transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th floor, Toronto, Ontario, M5J 2Y1 Canada, facsimile: within North America +1 (866) 249-7775 and outside North America +1 (416) 263-9524 or the corporate office of the Corporation at Unit 1 - 15782 Marine Drive, White Rock, B.C. V4B 1E6 Canada at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

EXERCISE OF DISCRETION BY PROXIES

The shares represented by proxies in favour of management nominees will be voted for or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if a shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the shares represented by the proxy shall be voted accordingly. **WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS DESCRIBED IN THIS INFORMATION CIRCULAR. THE ENCLOSED FORM OF PROXY ALSO CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE WITH RESPECT TO ANY AMENDMENTS OR VARIATIONS TO THE MATTERS IDENTIFIED IN THE NOTICE OF MEETING ACCOMPANYING THIS INFORMATION CIRCULAR AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING IN SUCH MANNER AS SUCH NOMINEE IN HIS, HER OR ITS JUDGMENT MAY DETERMINE.** At the time of printing this Information Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

NON-REGISTERED SHAREHOLDERS

Only registered holders of common shares of the Corporation (each, a “**Common Share**” or “**Shares**”) or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation will have distributed copies of this Information Circular and the accompanying Notice of Meeting and form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to certain Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to such Non-Registered Holders and the Non-Registered Holders will be given, in substitution for the proxy otherwise provided with the Meeting Materials, a request for voting instructions (the “**voting instructions form**”) which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary, will constitute voting F receives the voting instructions form or other proxy wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should so indicate in the place provided for that purpose on such document. Where applicable, a form of legal proxy will be sent to the Non-Registered Holder. In any event, Non-Registered Holders should carefully follow the instructions set out in the voting instructions form or other proxy.

This Information Circular and accompanying securityholder materials are being sent to both registered owners of Common Shares and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Common Shares on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the voting instructions form or other proxy.

The Meeting Materials are not being sent to registered or beneficial owners using the Notice and Access procedures contained in NI 54-101. The Corporation is sending the Meeting Materials directly to non-objecting beneficial holders (as defined in NI 54-101). The Corporation will not pay for intermediaries to deliver the Meeting Materials to objecting beneficial holders (as defined in NI 54-101) and objecting beneficial holders will not receive the Meeting Materials unless their intermediary assumes the cost of delivery.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at July 22, 2022, 44,089,806 Common Shares of the Corporation were issued and outstanding.

Only shareholders (the “**Shareholders**”) of record at the close of business on July 22, 2022 (the “**Record Date**”), who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have their Common Shares voted at the Meeting.

Each Shareholder is entitled to one vote for each Common Share registered in his, her or its name on the list of Shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. at the address listed above and will also be available at the Meeting. All matters to be voted upon at the Meeting must be approved by a resolution passed by the Shareholders.

To the knowledge of the directors and officers of the Corporation, except as noted below, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares:

Shareholder	No. of Common Shares	% of outstanding Common Shares
Sergei Stefanovich ⁽¹⁾	12,804,980	29.04%

Notes:

- (1) The 12,804,980 shares are owned as to 3,725,809 by Cormentum Foundation, a private corporation wholly owned by Sergei Stefanovich, and 9,079,171 held directly by Sergei Stefanovich.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last completed financial year, and no proposed director of the Corporation, nor any associate or affiliate of any such director, executive officer or proposed director has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director, executive officer, proposed director, any person or company beneficially owning, controlling or directing, directly or indirectly (or a combination thereof), Common Shares carrying more than ten percent of the voting rights of the Common Shares, any directors or executive officers of such shareholders, or any associate or affiliate of the foregoing persons, have had a material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries.

FORWARD LOOKING STATEMENTS

This Information Circular contains certain statements or disclosures that may constitute forward-looking statements or information ("**forward-looking statements**") under applicable securities laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that management or the directors of the Corporation, anticipate or expect may or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by terms such as "may", "will", "expect", "anticipate", "believe", or other comparable terminology.

Forward-looking statements presented in such statements or disclosures may, among other things, relate to: the structure and effects of the Disposition, the timing and completion of the Proposed Transaction, the plans and objectives of management post-completion of the Proposed Transaction.

The forward-looking statements contained in this Information Circular are expressly qualified by this cautionary statement. The Corporation is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws. Because of the risks, uncertainties and assumptions contained herein, readers should not place undue reliance on forward-looking statements or disclosures. The foregoing statements expressly qualify any forward-looking statements contained herein.

BUSINESS TO BE CONSIDERED AT THE MEETING

All references to \$ mean US dollars.

ITEM 1 - FINANCIAL STATEMENTS

The Corporation's consolidated financial statements for the financial year ended December 31, 2021, and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Corporation's consolidated financial statements for the financial year ended December 31, 2021, will not constitute approval or disapproval of any matters referred to therein.

ITEM 2 - APPOINTMENT OF THE AUDITOR

Davidson & Company LLP, Chartered Professional Accountants has served as auditor of the Corporation since July 31, 2017.

At the Meeting, Shareholders of the Corporation will be requested to re-appoint Davidson & Company LLP, Chartered Professional Accountants as the Corporation's auditor to hold office for the ensuing year at remuneration to be fixed by the board of directors (the "**Board**") of the Corporation.

THE PERSONS NAMED IN THE FORM OF PROXY WHICH ACCOMPANYS THIS INFORMATION CIRCULAR INTEND TO VOTE FOR THE APPOINTMENT OF DAVIDSON & COMPANY LLP, CHARTERED PROFESSIONAL ACCOUNTANTS AS THE AUDITOR OF THE CORPORATION TO HOLD OFFICE UNTIL ITS SUCCESSOR IS APPOINTED AND TO AUTHORIZE THE BOARD TO FIX THE REMUNERATION OF THE AUDITOR UNLESS IT HAS BEEN SPECIFIED IN THE FORM OF PROXY THAT THE COMMON SHARES REPRESENTED BY SUCH FORM ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

ITEM 3 - ELECTION OF DIRECTORS

At the Meeting, Shareholders will be asked to elect management's five nominee directors. The Corporation currently has five directors. The persons named below are the five nominees of management for election as directors, all of whom are current directors of the Corporation. Each director of the Corporation is elected annually and holds office until the next Annual General Meeting of Shareholders unless his or her successor is duly elected or until his or her resignation as a director. Management does not contemplate that any of the nominees will be unable to serve as a director.

The Board adopted a policy on majority voting on May 9, 2015. In an uncontested election of directors, any nominee who receives a greater number of votes "withheld" than votes "for" will tender a resignation to the Chairman of the Board promptly following the Meeting. The independent directors will consider the offer of resignation and, except in special circumstances, will recommend that the Board accept the resignation. The Board will make its decision and announce it in a press release within ninety (90) days following the Meeting, including the reasons for rejecting the resignation, if applicable. The nominee will not participate in any deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

In considering director nominees, management and the Board seek to ensure that the Board is composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the Board to satisfy its oversight obligations effectively.

The following table and notes thereto state the names of all persons proposed to be nominated by management for election as directors of the Corporation (each, a "proposed director"), their residence, all offices of the Corporation now held by them, their principal occupations or employments, the period of service as directors of the Corporation, the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by each of them as at the date hereof, and their present status on any committees of the Board.

Name, Residence and Position with the Corporation ⁽¹⁾	Principal Occupations ⁽¹⁾	Director Since	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽²⁾
Dr. Sergey V. Kurzin <i>London, United Kingdom</i> Director and Executive Chairman	Executive Chairman of the Corporation from June 2008 to present.	June 18, 2008	1,184,830
Mr. Sergei Stefanovich <i>Moscow, Russia</i> Director and Managing Director	Appointed as a Director and Managing Director of the Corporation on May 18, 2017.	May 18, 2017	12,804,980 ⁽⁴⁾
Mr. Mark Corra ⁽³⁾ <i>British Columbia, Canada</i> Non-Executive Director	Private business executive.	July 7, 2008	337,436
Mr. David Rhodes ⁽³⁾ <i>Almancil, Portugal</i> Non-Executive Director	Managing Director of Endeavour Financial Limited (a financial services advisory firm) from June 2013 to present.	December 7, 2010	406,613 ⁽⁵⁾
Mr. Vladimir Pakhomov ⁽³⁾ <i>London, United Kingdom</i> Non-Executive Director	Managing Partner, OC Management Group Ltd. and OC Capital, a Russia-focused investment firm since 2012, Investment Director Onexim Group (2007-2010)	May 18, 2017	2,031,515

Notes:

- (1) Information as to the residence and principal occupation has been provided by individual directors.
- (2) The information as to voting securities beneficially owned, controlled or directed directly or indirectly, not being within the knowledge of the directors and executive officers of the Corporation, has been furnished by the respective individual directors.
- (3) Current member of the Audit Committee of the Corporation (the "Audit Committee"), of which Mr. Corra is the Chairman.
- (4) The 12,804,980 shares are owned as to 3,725,809 by Cormentum Foundation, a private corporation wholly owned by Sergei Stefanovich, and 9,079,171 held directly by Sergei Stefanovich.
- (5) The 406,613 shares are owned as to 2,000 to Endeavour Financial AG, of which Mr. Rhodes is a director and 404,613 shares held directly by David Rhodes.

Corporate Cease Trade Orders

Except as noted below, no proposed director of the Corporation is, or has been within the ten (10) years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity, was subject to:

- (a) a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than thirty (30) consecutive days; or
- (b) an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the relevant company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than thirty (30) consecutive days.

Mark Corra was a director of Energold Drilling Corp. (“EDC”) at the date of a cease trade order issued by the British Columbia Securities Commission on October 3, 2019 for failure by EDC to file its interim financial statements for the three months ended June 30, 2019, including the related management discussion and analysis. The NEX board of the TSX Venture Exchange also suspended trading of the EDC’s securities on the NEX board of the TSX Venture Exchange.

Penalties or Sanctions

No proposed director of the Corporation has been subject to:

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

Bankruptcies

Except as noted below, no proposed director of the Corporation:

- (a) is, as at the date hereof, or has been within the ten (10) years before the date hereof, a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity, or within a year of such person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten (10) years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Mark Corra was a director of EDC when it filed for protection under the Companies' Creditors Arrangement Act (Canada) (the “CCAA”) on September 13, 2019. Mr. Corra resigned as a director of EDC on October 9, 2019.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF EACH OF THE ABOVE-NAMED PROPOSED DIRECTORS UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. MANAGEMENT HAS NO REASON TO BELIEVE THAT ANY OF THE PROPOSED DIRECTORS WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF A PROPOSED DIRECTOR IS FOR ANY REASON UNABLE TO SERVE AS A DIRECTOR OF THE CORPORATION, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING PROPOSED DIRECTORS AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF ONE OR MORE DIRECTORS.

ITEM 4 - APPROVAL OF STOCK OPTION PLAN

At the Meeting, Shareholders will be asked to approve the adoption of a new 10% rolling incentive stock option plan (the “**2022 Option Plan**”). The 2022 Option Plan was approved by the Board on June 29, 2022 and has been conditionally accepted by the TSX Venture Exchange (the “**Exchange**”). The 2022 Option Plan shall become effective upon the receipt of approval of the Shareholders and the final acceptance of the Exchange (the “**Effective Date**”) and will replace the Corporation’s current Stock Option Plan (the “**Option Plan**”). All of the 3,734,000 stock options (the “**Outstanding Options**”) currently outstanding under the Option Plan will remain outstanding and in full force and effect in accordance with their terms after the Effective Date. However, following the Effective Date, no additional grants shall be made pursuant to the Option Plan, and the Option Plan will terminate on the date upon which no Outstanding Options remain outstanding.

The purpose of the 2022 Option Plan is to, among other things: (i) provide the Corporation with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Corporation and its subsidiaries; (ii) reward directors, officers, employees and consultants that have been granted stock options (each, an “**Option**”) under the 2022 Option Plan for their contributions toward the long-term goals and success of the Corporation; and (iii) enable and encourage such directors, officers, employees and consultants to acquire Shares of the Corporation as long-term investments and proprietary interests in the Corporation. The approval of the 2022 Option Plan by the Board is subject to approval by the Shareholders and to the final acceptance of the Exchange.

A summary of certain provisions of the 2022 Option Plan is set out below, and a full copy of the 2022 Option Plan is attached hereto as Schedule “A”. This summary is qualified in its entirety to the full copy of the 2022 Option Plan.

Summary of the 2022 Option Plan

Eligibility

The 2022 Option Plan allows the Corporation to grant Options to attract, retain and motivate qualified directors, officers, employees and consultants of the Corporation and its subsidiaries (collectively, the “**Option Plan Participants**”).

Number of Shares Issuable

The aggregate number of Shares that may be issued to Option Plan Participants under the 2022 Option Plan will be that number of Shares equal to 10% of the issued and outstanding Shares on the particular date of grant of the Option, inclusive of the 3,734,000 Outstanding Options.

Limits on Participation

The 2022 Option Plan provides for the following limits on grants, for so long as the Corporation is subject to the requirements of the Exchange, unless disinterested Shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the Exchange:

- (i) the maximum number of Shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the Exchange, any company that is wholly-owned by the Option Plan Participant) under the 2022 Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 5% of the issued Shares calculated on the date of grant;
- (ii) the maximum number of Shares that may be issued to insiders collectively under the 2022 Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 10% of the issued Shares calculated on the date of grant; and
- (iii) the maximum number of Shares that may be issued to insiders collectively under the 2022 Option Plan, together with any other security based compensation arrangements, may not exceed 10% of the issued Shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Options which may be granted within any twelve (12) month period to Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding Shares, and such Options must vest in stages over twelve (12) months with no more than 25% vesting in any three (3) month period. In addition, the maximum number of Shares that may be granted to any one consultant under the 2022 Option Plan, together with any other security based compensation arrangements, within a twelve (12) month period, may not exceed 2% of the issued Shares calculated on the date of grant.

Administration

The plan administrator of the 2022 Option Plan (the “**Option Plan Administrator**”) will be the Board or a committee of the Board, if delegated. The Option Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Options under the 2022 Option Plan; determine conditions under which Options may be granted, vested or exercised, including the expiry date, exercise price and vesting schedule of the Options; establish the form of option certificate (“**Option Certificate**”); interpret the 2022 Option Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the 2022 Option Plan.

Subject to any required regulatory or shareholder approvals, the Option Plan Administrator may also, from time to time, without notice to or without approval of the Shareholders or the Option Plan Participants, amend, modify, change, suspend or terminate the Options granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the 2022 Option Plan or any Option granted pursuant thereto may materially impair any rights of an Option Plan Participant or materially increase any obligations of an Option Plan Participant under the 2022 Option Plan without the consent of such Option Plan Participant, unless the Option Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the 2022 Option Plan.

All of the Options are subject to the conditions, limitations, restrictions, vesting, exercise and forfeiture provisions determined by the Option Plan Administrator, in its sole discretion, subject to such limitations provided in the 2022 Option Plan and will be evidenced by an Option Certificate. In addition, subject to the limitations provided in the 2022 Option Plan and in accordance with applicable law, the Option Plan Administrator may accelerate the vesting of Options, cancel or modify outstanding Options and waive any condition imposed with respect to Options or Shares issued pursuant to Options.

Exercise of Options

Options shall be exercisable as determined by the Option Plan Administrator at the time of grant, provided that no Option shall have a term exceeding ten (10) years so long as the Shares are listed on the Exchange.

Subject to all applicable regulatory rules, the vesting schedule for an Option, if any, shall be determined by the Option Plan Administrator. The Option Plan Administrator may elect, at any time, to accelerate the vesting schedule of an Option, and such acceleration will not be considered an amendment to such Option and will not require the consent of the Option Plan Participant in question. However, no acceleration to the vesting schedule of an Option granted to an Option Plan Participant performing investor relations services may be made without prior acceptance of the Exchange.

The exercise price of an Option shall be determined by the Option Plan Administrator and cannot be lower than the greater of: (i) the minimum price required by the Exchange; and (ii) the market value of the Shares on the applicable grant date.

An Option Plan Participant may exercise the Options in whole or in part through any one of the following forms of consideration, subject to applicable laws, prior to the expiry date of such Options, as determined by the Option Plan Administrator:

- the Option Plan Participant may send a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate exercise price of the Shares being purchased pursuant to the exercise of the Option;
- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, a brokerage firm may be engaged to loan money to the Option Plan Participant in order for the Option Plan Participant to exercise the Options to acquire the Shares, subsequent to which the brokerage firm shall sell a sufficient number of Shares to cover the exercise price of such Options to satisfy the loan. The brokerage firm shall receive an equivalent number of Shares from the exercise of the Options, and the Option Plan Participant shall receive the balance of the Shares or cash proceeds from the balance of such Shares; and
- subject to approval from the Option Plan Administrator and the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options, in lieu of a cash payment to the Corporation, an Option Plan Participant, excluding those providing investor relations services, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the volume-weighted average trading price of the Shares and the exercise price of the Options, by (ii) the volume-weighted average trading price of the Shares.

If an exercise date for an Option occurs during a trading black-out period imposed by the Corporation to restrict trades in its securities, then, notwithstanding any other provision of the 2022 Option Plan, the Option shall be exercised no more than ten (10) business days after the trading black-out period is lifted by the Corporation, subject to certain exceptions.

Termination of Employment or Services and Change in Control

The following describes the impact of certain events that may, unless otherwise determined by the Option Plan Administrator or as set forth in an Option Certificate, lead to the early expiry of Options granted under the 2022 Option Plan.

Termination by the Corporation for cause:	Forfeiture of all unvested Options. The Option Plan Administrator may determine that all vested Options shall be forfeited, failing which all vested Options shall be exercised in accordance with the 2022 Option Plan.
Voluntary resignation of an Option Plan Participant:	Forfeiture of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.
Termination by the Corporation other than for cause:	Acceleration of vesting of a portion of unvested Options in accordance with a prescribed formula as set out in the 2022 Option Plan. Forfeiture of the remaining unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.
Death or disability of an Option Plan Participant:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.
Termination or voluntary resignation for good reason within twelve (12) months of a change in control:	Acceleration of vesting of all unvested Options. Exercise of vested Options in accordance with the 2022 Option Plan.

Any Options granted to an Option Plan Participant under the 2022 Option Plan shall terminate at a date no later than twelve (12) months from the date such Option Plan Participant ceases to be an Option Plan Participant.

In the event of a triggering event, which includes a change in control, dissolution or winding-up of the Corporation, a material alteration of the capital structure of the Corporation and a disposition of all or substantially all of the Corporation's assets, the Option Plan Administrator may, without the consent of the Option Plan Participant, cause all or a portion of the Options granted to terminate upon the occurrence of such event.

Amendment or Termination of the 2022 Option Plan

Subject to any necessary regulatory approvals, the 2022 Option Plan may be suspended or terminated at any time by the Option Plan Administrator, provided that no such suspension or termination shall alter or impact any rights or obligations under an Option previously granted without the consent of the Option Plan Participant.

The following limitations apply to the 2022 Option Plan and all Options thereunder as long as such limitations are required by the Exchange:

- any adjustment to Options, other than in connection with a security consolidation or security split, is subject to prior Exchange acceptance;
- any amendment to the 2022 Option Plan is subject to prior Exchange acceptance, except for amendments to reduce the number of Shares issuable under the 2022 Option Plan, to increase the exercise price of Options or to cancel Options;
- any amendments made to the 2022 Option Plan shall require regulatory and Shareholder approval, except for amendments to: (i) fix typographical errors; and (ii) clarify existing provisions of the 2022 Option Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and
- the exercise price of an Option previously granted to an insider must not be reduced, or the extension of the expiry date of an Option held by an insider may not be extended, unless the Corporation has obtained disinterested shareholder approval to do so in accordance with Exchange policies.

Subject to the foregoing limitations and any necessary regulatory approvals, the Option Plan Administrator may amend any existing Options or the 2022 Option Plan or the terms and conditions of any Option granted thereafter, although the Option Plan Administrator must obtain written consent of the Option Plan Participant (unless otherwise excepted out by a provision of the 2022 Option Plan) where such amendment would materially decrease the rights or benefits accruing to an Option Plan Participant or materially increase the obligations of an Option Plan Participant.

Corporation 2022 Option Plan Resolution

At the Meeting, the Shareholders of the Corporation will be asked to consider and approve an ordinary resolution, in substantially the following form, in order to approve the 2022 Option Plan, which resolution requires approval of greater than 50% of the votes cast by the Shareholders who, being entitled to do so, vote, in person or by proxy, on the ordinary resolution at the Meeting:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. subject to final acceptance of the TSX Venture Exchange (the “**TSXV**”), the Corporation’s new stock option plan (the “**2022 Option Plan**”), substantially in the form attached as Schedule “A” to the management information circular of Orsu Metals Corporation. (the “**Corporation**”) dated July 22, 2022, be and is hereby approved;
2. the directors of the Corporation or any committee of the board of directors of the Corporation are hereby authorized to grant stock options (each, an “**Option**”) pursuant to the 2022 Option Plan to those eligible to receive Options thereunder;
3. any one (1) director or officer of the Corporation is hereby authorized to execute and deliver on behalf of the Corporation all such documents and instruments and to do all such other acts and things as in such director’s opinion may be necessary to give effect to the matters contemplated by these resolutions; and
4. notwithstanding that this resolution be passed by the shareholders of the Corporation, the adoption of the proposed 2022 Option Plan is conditional upon receipt of final approval of the TSXV, and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable to the directors.”

Recommendation of the Board

The Board has determined that the 2022 Option Plan is in the best interests of the Corporation and the Shareholders and unanimously recommends that the Shareholders vote in favour of approving the 2022 Option Plan. **In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the foregoing resolution.**

The Board reserves the right to amend any terms of the 2022 Option Plan or not to proceed with the 2022 Option Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Corporation and the Shareholders and to do so in light of any subsequent event or development occurring after the date of the Information Circular.

ITEM 5 - PROPOSED DISPOSITION OF THE CORPORATION'S RUSSIAN ASSETS

Orsu Metals is a resource exploration company, and its principal asset is the Sergeevskoe Licence, located in Russia (together with any related assets, the "**Russian Assets**"). Orsu Metals owns 90% of the issued and outstanding ordinary shares of Sibzoloto Investments Limited ("**Sibzoloto**"), a Cyprus corporation, which in turn holds a 100% interest in LLC GK Alexandrovskoe (the "**Russian Subsidiary**"), a Russian limited liability company, which holds the Sergeevskoe License.

In February 2022, countries around the world imposed a number of sanctions on Russia in response to its invasion of Ukraine. These sanctions include, but are not limited to, removing certain Russian banks from SWIFT (the Society for Worldwide Interbank Financial Telecommunication messaging system), which has affected the Corporation's ability to fund its operations in Russia. The Corporation has some cash reserves in Russia, but prolonged sanctions impacting the Corporation's ability to fund operations in Russia, specifically the Sergeevskoe project, may jeopardize the viability of the Corporation's business operations in Russia.

The Board recommends approval of the disposition (the "**Disposition**") of the Russian Assets, being Orsu Metals' 90% interest in Sibzoloto (the "**Majority Interest**") to the holders of the other 10% interest of Sibzoloto (the "**Buyers**") pursuant to a share purchase agreement dated May 23, 2022 (the "**SPA**"). The SPA provides that the Buyers will acquire the Majority Interest from Orsu Metals for nominal consideration on the closing of the Disposition but will pay contingent consideration of up to a maximum US\$4.5 million to Orsu Metals if the Buyers sell Sibzoloto, the Russian Subsidiary or the Sergeevskoe License within five (5) years from the closing of the Disposition to a non-sanctioned third-party buyer. The Disposition is expected to be completed shortly after the completion of the Proposed Transaction (as defined below). The closing of the Disposition is conditional upon, among other things, the closing of the Proposed Transaction. The Buyers include Sergei Stefanovich and Vladimir Pakhomov, both of whom are directors of the Corporation, and Cormentum Foundation ("**Cormentum**"), which is wholly-owned by Mr. Stefanovich. The Disposition and the SPA were reviewed and approved by a Special Committee of directors of the Corporation (the "**Special Committee**"), all of whom are independent of the Buyers. The Special Committee considered the sanctions made against Russia and Russia's invasion of Ukraine (neither of which are expected to be resolved soon), the Corporation's limited cash treasury and inability to raise additional equity financing as a result of the sanctions against Russia and determined that continuing with the development of the Sergeevskoe project was not a viable option.

On May 24, 2022, the Corporation executed a non-binding letter of intent (the "**LOI**") with Invenir Ltd. and Skyfire Ltd. (collectively the "**Target Companies**"), pursuant to which Orsu Metals and the Target Companies will complete a business combination that will result in a reverse takeover and change of business of Orsu Metals (the "**Proposed Transaction**"). The Target Companies are arm's length parties to the Corporation. The entity resulting from the Proposed Transaction (the "**Resulting Issuer**") will be a global helium explorer and developer with exclusive rights to the Topaz helium project in the USA, which has been drilled and flowed 10.5% helium, and a 100% interest in the Tunu helium project in Greenland. Conditions to the closing of the Proposed Transaction include, but are not limited to: (1) the Target Companies raising not less than C\$5 million (the "**Concurrent Financing**"), (2) the Corporation consolidating its Common Shares; (3) the satisfaction or waiver of all of the conditions to the completion of the Disposition; and (4) receipt of all necessary regulatory and shareholder approvals. The proceeds of the Concurrent Financing will be placed in escrow until the Proposed Transaction closes, at which time the proceeds will be released to the Corporation and if the Proposed Transaction does not close the escrow funds will be returned to the subscribers. Immediately following to the completion of the Proposed Transaction it is expected that the existing shareholders of Orsu Metals will hold approximately 14%, the existing shareholders of the Target Company will hold approximately 64.5% and the incoming shareholders of the Concurrent Financing will hold the balance of 21.5% of the post-consolidated common shares of the Resulting Issuer. The ratio of the consolidation and the percentage holdings of the post-consolidation shares set out above may be adjusted based on the final pricing of the Concurrent Financing. Certain of the post-consolidation shares will be subject to escrow and resale restrictions pursuant to the policies of the TSX Venture Exchange (the "**Exchange**").

The LOI also provides that effective on closing of the Proposed Transaction, the Corporation will, among other things: (i) change its name to Pulsar Helium Inc., or another name acceptable to applicable regulatory authorities; (ii) reconstitute its board of directors with nominees of the Target Companies; (iii) replace certain officers of the Corporation on closing of the Proposed Transaction with nominees of the Target Companies; and (iv) complete the Disposition following closing of the Proposed Transaction.

On May 23, 2022, the Common Shares were halted from trading on the Exchange, and on May 24, 2022, the Corporation issued a press release announcing the Proposed Transaction and the SPA.

Closing of the Disposition is subject to the receipt of requisite approvals of the shareholders of the Corporation (the "**Shareholders**") and regulatory approvals and, provided that such requisite Shareholder and Regulatory approvals are obtained, is expected to occur shortly after the closing of the Proposed Transaction. The Corporation has received the conditional acceptance of the Disposition from the Exchange. However, there can be no assurance that the final acceptance of the Exchange will be received. If the final acceptance from the Exchange is not obtained, the Disposition will not proceed. If the Disposition does not close, the Corporation is of the view that it will be unable to fund the ongoing maintenance and development of the Russian Assets or the Corporation.

Related Party Transactions

As the Corporation is a “reporting issuer” in British Columbia, Alberta, Manitoba, Ontario and Quebec, and an Exchange-listed issuer, the Corporation is subject to, among other things, the requirements of Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”). Pursuant to Exchange Policy 5.9 - *Protection of Minority Shareholders in Special Transactions* (“**Exchange Policy 5.9**”), the Disposition is subject to the requirements of MI 61-101.

MI 61-101 is intended to regulate, among other things, certain types of transactions with related parties to ensure the protection and fair treatment of minority shareholders. MI 61-101 requires in certain circumstances enhanced disclosure, approval by a majority of securityholders excluding interested parties or related parties, independent valuations, and approval and oversight of the transaction by a special committee of independent directors.

A transaction will constitute a “related party transaction” within the meaning of MI 61-101 where, among other circumstances, the transaction is one between the Corporation and a person that is a “related party” (as defined in MI 61-101) of the Corporation at the time the transaction is agreed to, as a consequence of which, either through the transaction itself or together with connected transactions, the Corporation directly or indirectly sells, transfers or disposes of an asset to the related party. A related party includes, among others, the directors and senior officers of the Corporation, and a person of which a related party of the Corporation beneficially owns, in aggregate, more than 50% of the outstanding securities.

Unless otherwise exempt, MI 61-101 requires that, in addition to any other required securityholder approval, a related party transaction is subject to “minority approval” (as defined in MI 61-101) from the holders of every class of “affected securities” (as defined in MI 61-101) of the issuer, in each case voting separately as a class.

The approval of the Disposition Resolution (as defined below) will require the affirmative vote of a simple majority of the votes cast by all Shareholders, other than: (i) any “interested parties”, which is defined under MI 61- 101 as, among others, a related party of the Corporation who is a party to the transaction or that is entitled to receive, directly or indirectly, a “collateral benefit” (as defined under MI 61-101) as a consequence of the transaction; (ii) a related party of any interested party; and (iii) any person that is a “joint actor” (within the meaning of MI 61-101) with any of the foregoing.

Minority Approval

To the knowledge of the directors and executive officers of the Corporation, after reasonable inquiry, the Corporation has determined that, as of the Record Date:

- (a) Sergei Stefanovich owned, beneficially or exercised control over or direction over, 12,804,980 Common Shares (which includes the 3,725,809 Common Shares registered in the name of Cormentum which are beneficially owned by Mr. Stefanovich), which represents approximately 29% of the issued and outstanding Common Shares as of the Record Date. Mr. Stefanovich is a director of the Corporation and is, therefore, a “related party” of the Corporation under MI 61-101. Cormentum is a “related party” of the Corporation under MI 61-101 because Mr. Stefanovich beneficially owns more than 50% of the outstanding securities of Cormentum. Accordingly, the votes attached to the aforementioned 12,804,980 Common Shares will be excluded for the purposes of determining whether the minority approval under MI 61-101 in respect of the Disposition Resolution has been obtained; and
- (b) Vladimir Pakhomov owned, beneficially or exercised control over or direction over 2,031,515 Common Shares, which represents approximately 5% of the issued and outstanding Common Shares as of the Record Date. Mr. Pakhomov is a director of the Corporation and is, therefore, a “related party” of the Corporation. Accordingly, the votes attached to the aforementioned 2,031,515 Common Shares will be excluded for the purposes of determining whether the minority approval under MI 61-101 in respect of the Disposition Resolution has been obtained.

Formal Valuation

MI 61-101 requires in certain circumstances that an issuer carrying out a related party transaction obtain a formal valuation prepared by an independent valuator. The Disposition is exempted from the formal valuation requirement, pursuant to section 5.5(b) of MI 61-101, on the basis that no securities of the Corporation are listed or quoted on any of the stock exchanges or markets listed in section 5.5(b) of MI 61-101.

Prior Valuations and Prior Offers

Neither the Corporation, nor any director or senior officer of the Corporation, after reasonable inquiry, has knowledge of any “prior valuation” (as defined in MI 61-101) in respect of the Corporation that relates to the Russian Assets or is otherwise relevant to the Disposition that has been made in the twenty-four (24) months before the date of this Information Circular.

The Corporation has not received any bona fide prior offer during the twenty-four (24) months before the date of the SPA that relates to the Russian Assets or is otherwise relevant to the Disposition.

Regulatory Approvals

(a) Approval Required Under MI 61-101

To be effective, the Disposition must be approved by a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding the votes cast by such Shareholders as are required to be excluded pursuant to MI 61-101, being those votes attached to the Common Shares held by each of Sergei Stefanovich (9,079,171 Common Shares), Cormentum (3,725,809 Common Shares), and Vladimir Pakhomov (2,031,515 Common Shares) (collectively, the “**Minority Shareholders**”).

Notwithstanding the foregoing, the Disposition Resolution authorizes the board of directors of the Corporation, without further notice to or approval of the Shareholders, to amend the SPA or to decide not to proceed with the Disposition.

(b) Approval Required by the Exchange

The Common Shares are currently listed for trading on the Exchange, and the Corporation must obtain all necessary approvals of the Exchange to the Disposition. The Corporation has applied to the Exchange for conditional approval for the Disposition. Conditional approval has been obtained from the Exchange. Final acceptance from the Exchange is subject to the Corporation obtaining Shareholder approval of the Disposition pursuant to Exchange Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* (“**Exchange Policy 5.3**”). Pursuant to Exchange Policy 5.3, the Corporation must obtain Shareholder approval in accordance with the requirements of Exchange Policy 5.9, which is described above under “*Approval Required Under MI 61-101*”.

At the Meeting, the Minority Shareholders will be asked to approve an ordinary resolution (the “Disposition Resolution”), the full text of which is set out below. In order for the proposed Disposition to proceed, the Disposition Resolution must be approved by not less than half of the votes cast by the Minority Shareholders present in person or by proxy at the Meeting.

The board of directors of the Corporation has determined that the Disposition is in the best interests of the Corporation and that the consideration for the Disposition is fair and reasonable, and unanimously recommends that Minority Shareholders vote FOR the Disposition Resolution approving the Disposition, set out below.

Should Minority Shareholders fail to approve the Disposition Resolution by the requisite majority, the Disposition will not be implemented.

Disposition Resolution:

"BE IT RESOLVED as an ordinary resolution (exclusive of the votes held directly or indirectly by the Minority Shareholders) that:

1. the sale by the Corporation of the Majority Interest pursuant to the terms and conditions of the SPA, as may be amended from time to time, all as more particularly described in the Information Circular of the Corporation dated July 22, 2022 is hereby approved and authorized, and the actions of the directors and officers of the Corporation in executing and delivering the SPA and causing the performance by the Corporation of its obligations thereunder, including the Disposition, are hereby confirmed, ratified, authorized and approved;
2. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation entitled to vote thereon, the board of directors of the Corporation is hereby authorized and empowered, without further notice to, or approval of, the shareholders of the Corporation, to amend the SPA or not to proceed with the transactions contemplated by the SPA in whole or in part; and
3. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute, with or without the corporate seal and, if appropriate, deliver any and all other agreements, applications, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do, or cause to be done, any and all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the SPA, the completion of the transactions contemplated by the SPA and the matters authorized hereby, including, without limitation, (i) all actions required to be taken by or on behalf of the Corporation, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities, and (ii) the signing of the certificates, consents and other documents or declarations required under the SPA or in connection with the transactions contemplated by the SPA or otherwise to be entered into by the Corporation, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument, and the taking or doing of any such action."

EXECUTIVE AND DIRECTOR COMPENSATION

Orsu Metals statement of executive compensation for the year ended December 31, 2021, a copy of which was filed on Orsu Metals profile on SEDAR on June 2, 2022, is incorporated by reference in this Information Circular. A copy of Orsu Metals statement of executive compensation for the year ended December 31, 2021, may also be obtained from Orsu Metals, free of charge, by writing to Ben Meyer, Assistant Corporate Secretary of the Corporation, at ben@gocs.ca.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2021 with respect to securities that are authorized for issuance under the Option Plan:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average CDN \$ exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	3,734,000	\$0.16	674,981
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	3,734,000	\$0.16	674,981

AGGREGATE INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES OF THE CORPORATION OR ANY OF ITS SUBSIDIARIES

As of the date of this Information Circular and at any time within thirty (30) days prior to the date hereof, no executive officer, director, employee, or former executive officer, director or employee of the Corporation or any of its subsidiaries is or was indebted in respect of any purchase of securities or otherwise to the Corporation or any of its subsidiaries or to any other entity for which the indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INDEBTEDNESS OF THE CORPORATION'S DIRECTORS AND EXECUTIVE OFFICERS AND OTHERS UNDER SECURITIES PURCHASE AND OTHER PROGRAMS

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, no proposed director, and no associate of any such director, executive officer or proposed director, is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries, or indebted to another entity for which the indebtedness is, or at any time since the beginning of the most recently completed

financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, in respect of any security purchase program or any other program.

AUDIT COMMITTEE DISCLOSURE

Composition of the Audit Committee

The following table provides information relating to each member of the Audit Committee, including his name, a description of whether he is (i) independent of Orsu Metals and (ii) financially literate, and a summary of his relevant education and experience.

Name	Independent of Orsu Metals	Financially Literate	Relevant Education and Experience
Mark Corra	Yes	Yes	Mr. Corra was a Director of Vanadian Energy Corp. (formerly Uracon Resources Ltd), a junior uranium exploration company listed on the TSX-V from May 2014 to June 2022. Mr. Corra was a Director of Energold Drilling Corp., a drilling company in the mining and energy sectors, from June 2014 to October 2019, and a Director of Sunridge Gold Corp., a junior exploration company, from July 2008 to December 2016. Prior to this Mr. Corra was Senior VP Finance and CFO of B2Gold until April 2014. Mr. Corra has extensive experience in finance, particularly with respect to the natural resource sector. A Chartered Professional Accountant, Certified Management Accountant, with a diploma in financial management from the British Columbia Institute of Technology. He has also acted as CFO for Consolidated Puma Minerals Corp., Victoria Resources Corp. and Consolidated Westview Resource Corp.
David Rhodes	Yes	Yes	Mr. Rhodes is the Managing Director at Endeavour Financial Ltd since 2004. His experience in the natural resource business spans more than twenty-five years, having arranged, structured and advised on over \$4.5 billion of resource related projects around the world. Mr. Rhodes' career prior to joining Endeavour Financial Limited was at Standard Bank, Barclays Capital and Royal Bank of Scotland. At Standard Bank and Barclays Capital, he sourced, structured and syndicated finance for resource projects and companies on a global basis. Having lived and worked in London and New York, he has international experience with the CIS, North/South American, European and African markets. Mr. Rhodes is a member of the Institute of Financial Services and has a BSc (Hons) in Financial Services.
Vladimir Pakhomov	Yes	Yes	Mr. Pakhomov is a Managing Partner of Olympia Capital, an asset management and merchant banking firm specializing in investment opportunities primarily in Russia and CIS (2011 – present). He was the Investment Director with Onexim Group (2007 – 2010). He graduated Moscow Institute of International Relations and is CFA Charterholder. Mr. Pakhomov resides in Moscow and is fluent in Russian and English.

Audit Committee Oversight

During the fiscal year ended December 31, 2021, all recommendations of the Audit Committee to nominate or compensate the external auditors were adopted by the Board.

Pre-Approval Policies and Procedures

Included as part of the Audit Committee's charter is the responsibility of the Audit Committee to pre-approve all non-audit services to be provided to Orsu Metals by its external auditors.

External Auditor Service Fees

The following tables summarize the fees paid to the external auditor of the Corporation, Davidson & Company LLP, Chartered Professional Accountants for the fiscal years ended December 31, 2021 and 2020.

Davidson & Company LLP		
Service description	Fees 2021 CAD\$	Fees 2020 CAD\$
Audit Fees	40,000	40,000
Tax Fees	5,000	4,000
Total Fees	45,000	44,000

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. PURPOSE

The Audit Committee (the "**Committee**") is appointed by the Board of Directors (the "**Board**") of Orsu Metals Corporation (the "**Corporation**") to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee's primary duties and responsibilities are to:

- a) conduct such reviews and discussions with management and the independent auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- b) assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- c) ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- d) review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- e) select and monitor the independence and performance of the Corporation's external auditors (the "**Independent Auditors**"), including attending at private meetings with the Independent Auditors and reviewing and approving all renewals or dismissals of the Independent Auditors and their remuneration; and
- f) provide oversight of related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part 3 of this Charter.

2. COMPOSITION AND MEETINGS

- a) The Committee and its membership shall meet all applicable legal and listing requirements, including, without limitation, those of the TSX and the AIM exchanges and all applicable securities regulatory authorities.
- b) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.
- c) Each member of the Committee must be "independent" (as defined under *Multilateral Instrument 52-110 - Audit Committees ("MI 52-110")*).
- d) Each member of the Committee must, to the satisfaction of the Board, be "financially literate" (as defined under MI 52-110).
- e) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.

- f) Unless otherwise agreed, notice of each meeting of the Committee, confirming the venue, time and date together with an agenda of items to be discussed and any supporting papers, shall be forwarded to each member of the Committee and any other person invited to attend, no fewer than five business days prior to the date of the meeting.
- g) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- h) If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
- i) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
- j) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- k) The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- l) The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, or other persons, from time to time, to attend at meetings of the Committee.
- m) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
- n) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Chair shall not have a casting vote on all matters in the event of an equality of votes. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Audit Committee shall require the approval of the Board prior to implementation.

3. RESPONSIBILITIES

A. Financial Accounting and Reporting Process and Internal Controls

- a) The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with IFRS applicable to the relevant reporting period. The Committee shall also review the interim financial statements. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- b) The Committee shall review management's internal control report and the evaluation of such report by the Independent Auditors, together with management's response.
- c) The Committee shall review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including annual and interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws prior to their being filed with the appropriate regulatory authorities.
- d) The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than disclosure addressed in paragraph 3 above, and must periodically assess the adequacy of those procedures.
- e) The Committee shall meet no less frequently than annually with the Independent Auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
- f) The Committee shall inquire of management and the Independent Auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management, has taken to minimize

such risks.

- g) The Committee shall review the post-audit or management letter containing the recommendations of the Independent Auditors and management's response and subsequent follow-up to any identified weaknesses.
- h) The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
- i) The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- j) The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former Independent Auditors.
- k) The Committee shall provide oversight to related party transactions entered into by the Corporation.

B. Independent Auditors

- a) The Committee shall recommend to the Board the Independent Auditors to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.
- b) The Committee shall recommend to the Board the compensation of the Independent Auditors and shall review fees paid by the Corporation to the Independent Auditors and other professionals in respect of audit and non-audit services on an annual basis.
- c) The Committee shall be directly responsible for the oversight of the Independent Auditors, including the resolution of disagreements between management of the Corporation and the Independent Auditors regarding financial reporting and the Independent Auditors shall report directly to the Committee.
- d) The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the Independent Auditors to the Corporation and its subsidiary entities.
- e) The Committee shall monitor and assess the relationship between management and the Independent Auditors and monitor, confirm, support and assure the independence and objectivity of the Independent Auditors.
- f) The Committee shall review the Independent Auditor's audit plan, including scope, procedures and timing of the audit.
- g) The Committee shall review the results of the annual audit with the Independent Auditors, including matters related to the conduct of the audit.
- h) The Committee shall obtain timely reports from the Independent Auditors describing critical accounting policies and practices, alternative treatments of information within GAAP that were discussed with management, their ramifications, and the Independent Auditors' preferred treatment and material written communications between the Corporation and the Independent Auditors.

C. Reporting Responsibilities

- a) The Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- b) The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

D. Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

4. AUTHORITY

The Committee is authorised to:

- a) engage independent counsel and other advisors as it determines necessary to carry out its responsibilities;
- b) set and pay the compensation for any advisors employed by the Committee; and
- c) communicate directly with the internal auditors of the Corporation as well as with the Independent Auditors.

STATEMENT OF CORPORATE GOVERNANCE

The Board and management of the Corporation recognize that effective corporate governance practices are fundamental to the long-term success of the Corporation. Sound corporate governance contributes to shareholder value through increased confidence. The Board and management are committed to maintaining a high standard of corporate governance having regard to the suggestions contained in National Policy 58-201 - *Corporate Governance Guidelines* (the “**Guidelines**”), which establishes the basis for effective corporate governance. The Corporation’s approach to corporate governance, with reference to the Guidelines, is outlined below in accordance with National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

The Board of Directors

The Board is currently comprised of five members, three of whom the Board has determined are “independent” directors within the meaning of NI 58-101.

Dr. Sergey V. Kurzin (who is also Executive Chairman) and Sergei Stefanovich (who is also Managing Director), are considered non-independent directors within the meaning of NI 58-101, as they are officers of the Corporation.

Mark Corra, David Rhodes and Vladimir Pakhomov are considered independent directors within the meaning of NI 58-101.

The Board believes that it functions independently of management. To enhance its ability to act independently of management, the Board reviews its procedures from time to time to ensure that it can function independently of management. The Board and/or independent directors meet, as necessary, without management and/or non-independent directors present. Mr. Mark Corra acts as a lead director when required and provides leadership to the other independent directors. When conflicts do arise on the Board in respect of a proposed transaction, event or other matter, the interests of any director in such proposed transaction, event or matter are disclosed to the rest of the Board prior to any vote on the proposed transaction, event or matter. In light of the suggestions contained in NI 58-101, the Board intends to continue to convene meetings of independent directors in the future, at which non-independent directors and members of management are not in attendance as may be deemed necessary.

The following directors are presently a director of one or more other reporting issuers (or equivalent) in Canada or in another jurisdiction:

Director	Other Reporting Issuers
David Rhodes	Altaley Mining Corporation Empress Royalty Corp.

Board Mandate

There is currently no specific written mandate of the Board, other than that contained in corporate regulations or legislation to which the Board is subject in relation to the discharge of the directors’ duties and standards of care.

In addition to those matters which must be approved by the Board by law, significant business activities and actions proposed to be taken by the Corporation are subject to Board approval.

Annual capital and operating budgets and significant changes thereto, long range plans, major changes in the organizational structure of the Corporation, annual financial statements, major acquisition and disposition transactions, major financing transactions involving the issuance of shares, debt securities and the like, major banking transactions, long term contracts with significant cumulative financial commitments, appointment of senior executive officers, benefit plans, stock option or other share-based compensation plans, issuance of stock options or other share-based compensation and succession plans are all subject to Board approval or, where appropriate, a duly authorized committee of the Board.

In addition, the Board is responsible for overseeing the strategic direction of the Corporation, monitoring the performance of the Corporation’s assets and assessing opportunities for and risks affecting the Corporation’s business and assessing means to effectively deal with same.

The Board does not have set dates for holding Board meetings, except meetings held to approve quarterly and annual accounts (when such accounts are not approved by written resolution). Other meetings are held as the needs of the Corporation’s business require.

The Board does not currently have in place a formal program for succession planning; however, the Board is responsible for establishing and maintaining a succession plan for the Executive Chairman as well as overseeing the Corporation’s overall execution of its succession planning. The Board will consider implementing a formal program for the Corporation as part of the development planning process.

Position Descriptions

The Corporation has not developed written position descriptions for the Executive Chairman of the Corporation or the Chair of the Audit Committee. The members of the Audit committee are approved by the Board and the Chair of each of the Audit Committee is approved by the Board as well as the members.

The Audit Committee has a charter which outlines the responsibilities of that committee. The Chair of the Audit Committee is responsible for ensuring that the committee operates in accordance with its charter and leads the meetings of that committee. The Executive Chairman is responsible for the strategic development of the Corporation, including developing the objectives and strategies of the Corporation and its subsidiaries, examining major capital expenditures, identifying and executing acquisitions and dispositions of projects, leading geographic diversification initiatives, identifying and executing new business opportunities, and ensuring the timely and accurate disclosure of information. The Executive Chairman reports to the Board and all major matters are approved by the Board at meetings or by way of written resolution. The Executive Chairman may also make recommendations to the Board relating to remuneration policy, executive remuneration and the employment terms of the senior executive officers of the Corporation and on the roles and competencies required of executive director nominees.

The Corporation has not developed a written position description for the Managing Director. The Managing Director reports to the Executive Chairman and the Board, and the Board responds to and, if it considers it to be appropriate, approves, with such revisions as it may require, corporate objectives and recommended courses of action, which have been brought forward by the Managing Director and management. The Board and the Managing Director review, on a regular basis, the scope and limits of management's responsibilities and powers.

The Board has delegated to management (including the Executive Chairman, the Managing Director, the Chief Financial Officer and the Corporate Secretary) responsibility for meeting the Corporation's objectives, implementing approved strategic and operating plans, generally managing the Corporation's day to day business and cash flows, evaluating new business opportunities and compliance with regulatory requirements as they apply to the Corporation. In addition, management is tasked with preparing and recommending long-term strategic objectives, annual operating plans and budgets. The responsibilities of a Chief Executive Officer are undertaken by the Executive Chairman and the Managing Director together, and decisions are generally made jointly, other than with respect to certain responsibilities that are within the sole responsibility of the particular executive officer. For example, in such capacity, the Executive Chairman is primarily responsible for the Corporation's strategic planning and the Managing Director is primarily responsible for the certification of the Corporation's financial reports.

Orientation and Continuing Education

The Corporation currently does not have in place a formal orientation and education program for new Board members. As new directors join the Board, management will provide these individuals with information about the Corporation, including its corporate plan and strategic direction, and an outline of the general duties and responsibilities entailed in carrying out their role as directors. Information about the Corporation's projects is available to Board members, who are also encouraged to visit the Corporation's project sites as appropriate. The members of the Board are experienced professionals in their respective areas of business and they receive regular updates at Board meetings regarding developments in the exploration and mining industry, the state of the Corporation's projects, and the political situation in the countries in which the Corporation operates. Each director shares his experiences in the areas in which he has strong professional knowledge and has unlimited access to the Corporation's executives to seek required clarifications regarding the technical aspects of operations of the Corporation's projects throughout the different stages of development and operation, as applicable.

Ethical Business Conduct

The Board has adopted a formal Code of Ethics and Business Principles for directors, officers and employees (the "Code"). A copy of the Code is available on SEDAR (www.sedar.com). The Board is responsible for safeguarding the Corporation's interests and assisting the Corporation's business development initiatives.

The Board does not formally monitor compliance with the Code. Management is expected to report any breaches of the Code to the Board. Additionally, the Code also provides a process by which actual or potential violations of its provisions are to be reported to the individual's manager or, if this is inappropriate, to the Corporation's legal counsel and confirms that there will not be any reprisals against an individual who does so in good faith.

All of the Corporation's employees, officers and directors are expected to comply with the Code.

When conflicts arise on the Board in respect of a proposed transaction, event or other matter, the interests of any director in such proposed transaction, event or matter are disclosed to the rest of the Board prior to any vote on the proposed transaction, event or matter.

Nomination of Directors

The Board considers the skills and attributes that would be required of a new director. Current directors and senior management are requested to advise the Executive Chairman of potential candidates. Once candidates are identified, the Executive Chairman, alone or with other directors, interviews the individuals and advises the Board the results of the interviews and makes a recommendation on a candidate to the Board for its approval.

The Board seeks to select well-qualified candidates with a diversity of background, experience and geographic location to maintain a well-balanced and highly competent group of directors with the ability to act together effectively. The Board is responsible for implementing orientation and education programs for new members of the Board and implementing procedures for assessing the effectiveness of the Board and its committees and for assessing the contribution of each of the Corporation's directors.

Committees

Given the size of the Board, the Board has no committees other than the Audit Committee.

Assessments

The Board is collectively responsible for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors as it relates to the Board's mandate and the Corporation's goals.

The Board is also responsible for the examination of the size of the Board with a view to determining the impact of the number upon effectiveness and to undertake where appropriate, a program to reduce or enlarge the number of directors to a number which facilitates more effective decision-making.

MANAGEMENT CONTRACTS

The management functions of the Corporation and its subsidiaries are performed by the directors and/or executive officers of the Corporation and its subsidiaries, as applicable, and not, to any substantial degree, by any other person. See "*Executive and Director Compensation - Termination and Change of Control Benefits*" above.

OTHER MATTERS TO BE ACTED ON

Management of the Corporation is unaware of any matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. **However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote in respect of any such matters in accordance with their best judgment.**

ADDITIONAL INFORMATION

You may obtain additional financial information about Orsu Metals in our Financial Statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2021, by completing the enclosed Financial Statement Request Form, which is being mailed with this Information Circular. Copies may be obtained without charge upon request to us at Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6 - telephone +1 (604) 536-2711; fax +1 (604) 536-2788. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com or the Corporation's website at www.orsumetals.com.

BOARD APPROVAL

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

Dated at White Rock, British Columbia, this 22nd day of July 2022.

ON BEHALF OF THE BOARD,

/s/ Sergey V. Kurzin

Dr. Sergey V. Kurzin,
Executive Chairman

Schedule "A"

2022 Option Plan

ORSU METALS CORPORATION

STOCK OPTION PLAN

Effective Date: June 29, 2022

Approved by the Board of
Directors on June 29, 2022.

Approved by the
Shareholders on [MONTH] [DAY], 2022.

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STOCK OPTION PLAN

ARTICLE 1 PURPOSE

1.1 Purpose

The purpose of the Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants of the Corporation and its Subsidiaries, to reward such of those Executives, Employees and Consultants as may be granted Options under the Plan by the Board from time to time for their contributions toward the long term goals and success of the Corporation and to enable and encourage such Executives, Employees and Consultants to acquire Shares as long term investments and proprietary interests in the Corporation.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the indicated meanings:

“**Applicable Laws**” means the applicable laws and regulations and the requirements or policies of any governmental, regulatory authority, securities commission and stock exchange having authority over the Corporation or the Plan;

“**Black-Out**” means a restriction formally imposed by the Corporation, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options;

“**Board**” means the board of directors of the Corporation;

“**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks in the City of Vancouver are open for commercial business during normal banking hours;

“**Cashless Exercise**” has the meaning set forth in Section 4.8(b);

“**Cause**” means:

- (a) unless the applicable Option Certificate states otherwise, with respect to any Employee, Officer or Consultant:
 - (i) if such Employee, Officer or Consultant is a party to an employment or service agreement with the Corporation or any of its Subsidiaries and such agreement provides for a definition of Cause, the definition contained therein; or
 - (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Corporation to terminate the employment or service agreement of such Employee, Officer or Consultant, without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the Employee, Officer or Consultant to carry out its duties properly or to comply with the rules,

policies and practices of the Corporation or any of its Subsidiaries, as applicable; (B) a material breach of any agreement with the Corporation or any of its Subsidiaries, as applicable, or a material violation of any written policy of the Corporation or any of its Subsidiaries, as applicable; (C) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) a material fiduciary breach with respect to the Corporation or any of its Subsidiaries, as applicable; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Corporation or any of its Subsidiaries; or (F) gross negligence or willful misconduct with respect to the Corporation or any of its Subsidiaries; and

- (b) with respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following:
 - (i) gross misconduct or neglect;
 - (ii) willful conversion of corporate funds;
 - (iii) false or fraudulent misrepresentation inducing the Director's appointment; or
 - (iv) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance;

“Change of Business” has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

“Change in Control” means, unless otherwise defined in the Participant's employment or service agreement or in the applicable Option Certificate, the occurrence of any one or more of the following events:

- (a) the direct or indirect acquisition or conversion from time to time of more than 20% of the issued and outstanding Shares, in aggregate, by a Person or group of Persons acting in concert, other than through an employee share purchase plan or employee share ownership plan;
- (b) a change in the composition of the Board which results in the majority of the directors of the Corporation not being individuals nominated by the Corporation's then incumbent directors; or
- (c) a merger, amalgamation, arrangement or reorganization of the Corporation with one or more corporations as a result of which, immediately following such event, the shareholders of the Corporation as a group, as they were immediately prior to such event, hold less than a majority of the outstanding Voting Shares of the surviving corporation;

“Committee” has the meaning set forth in Section 3.2;

“Company” means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“Consultant” means:

- (a) a Person (other than an Executive or Employee) that:
- (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its Subsidiaries, other than services provided in relation to a distribution of securities (as defined under Applicable Laws);
 - (ii) provides the services under a written contract between the Corporation or any of its Subsidiaries and the individual or the Company, as the case may be; and
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its Subsidiaries, or
- (b) an individual (other than a Director, Officer or Employee) employed by a Company providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;

“**Corporate Policies**” means any of the policies of the Corporation;

“**Corporation**” means Orsu Metals Corporation;

“**Date of Grant**” means, for any Option, the date specified by the Plan Administrator at the time it grants the Option (which, for greater certainty, shall be no earlier than the date on which the Board meets or otherwise acts for the purpose of granting such Option) or if no such date is specified, the date upon which the Option was granted;

“**Director**” means a director (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

“**Disabled**” or “**Disability**” means a physical injury or mental incapacity of a nature which the Plan Administrator determines prevents or would prevent the Participant from satisfactorily performing the substantial and material duties of his or her position with the Corporation or any of its Subsidiaries;

“**Effective Date**” means the date the Plan becomes effective, which shall be upon receipt of all shareholder and Regulatory Approvals;

“**Employee**” means an individual who:

- (a) is considered an employee of the Corporation or any of its Subsidiaries under the Tax Act and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;
- (b) works full-time for the Corporation or any of its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or of a Subsidiary of the Corporation, as the case may be, but for whom income tax deductions are not made at source; or
- (c) works for the Corporation or any of its Subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee

and who is subject to the same control and direction by the Corporation or any of its Subsidiaries over the details and methods of work as an employee of the Corporation or any of its Subsidiaries;

“**Exercise Notice**” means the written notice of the exercise of an Option, in the form set out in the Option Certificate (or in such other form as may be approved by the Plan Administrator, duly executed by the Participant;

“**Exercise Period**” means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained;

“**Exercise Price**” means the price at which an Option is exercisable as determined in accordance with Section 4.5;

“**Expiry Date**” means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with Sections 4.10, 5.1, 7.2, or Article 6;

“**Expiry Time**” means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date;

“**Exchange**” means the TSXV and any other exchange on which the Shares are or may be listed from time to time;

“**Executive**” means an individual who is a Director or Officer;

“**Good Reason**” means any one or more of the following events occurring following a Change in Control and without the Participant’s written consent:

- (a) the Participant is placed in a position of lesser stature than its current position and, is assigned duties that would result in a material change in the nature or scope of powers, authority, functions or duties inherent in such a position immediately prior to the Change in Control;
- (b) a material decrease in the Participant’s base salary or a material decrease in the Participant’s short-term incentive grants, long-term incentive grants, benefits, vacation or other compensation;
- (c) a requirement that the Participant relocate to a location greater than 40 kilometers from the Participant’s primary work location immediately prior to the Change in Control; or
- (d) any action or event that would constitute constructive dismissal of the Participant at common law;

“**Insider**” means:

- (a) a Director or senior officer of the Corporation;
- (b) a Director or senior officer of a Company that is an Insider or a Subsidiary of the Corporation;

- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares of the Corporation carrying more than 10% of the voting rights attached to the Voting Shares of the Corporation; or
- (d) the Corporation itself if it holds any of its own securities;

“**Investor Relations Service Providers**” has the meaning attributed thereto in Policy 4.4 – *Security Based Compensation*, as amended from time to time, of the TSXV Manual;

“**Market Price**” means the market value of the Shares as determined in accordance with Section 4.5;

“**Net Exercise**” has the meaning set out in Section 4.8(c);

“**Officer**” means an officer (as defined under Securities Laws) of the Corporation or of any of its Subsidiaries;

“**Option**” means an incentive share purchase option granted pursuant to the Plan entitling a Participant to purchase Shares of the Corporation;

“**Option Certificate**” means a certificate issued by the Corporation in the form or any one of the forms approved by the Plan Administrator, evidencing the terms and conditions on which an Option has been granted under the Plan and which need not be identical to any other such certificates;

“**Outstanding Options**” has the meaning ascribed to it in Section 3.7;

“**Participant**” means an Executive, Employee or Consultant to whom an Option has been granted under the Plan;

“**Person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;

“**Personal Representative**” means: (i) in the case of a deceased Participant, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of a Participant who, for any reason, is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Participant;

“**Plan**” means this Option Plan, as may be amended from time to time;

“**Plan Administrator**” means the Board, or if the administration of the Plan has been delegated by the Board to the Committee pursuant to Section 3.2, the Committee;

“**Prior Plan**” means the Corporation’s prior stock option plan;

“**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of the Plan or for the Options granted from time to time hereunder;

“**Regulatory Authorities**” means all Exchanges and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation, the Plan or the Options granted from time to time hereunder;

“**Reorganization**” has the meaning attributed thereto in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, as amended from time to time, of the TSXV Manual;

“**Reverse Takeover**” has the meaning attributed thereto in Policy 5.2 – *Change of Business and Reverse Takeovers*, as amended from time to time, of the TSXV Manual;

“**RRIF**” means a registered retirement income fund as defined in the Tax Act;

“**RRSP**” means a registered retirement savings plan as defined in the Tax Act;

“**Securities Act**” means the *Securities Act* (British Columbia, RSBC 1996, c. 418 as from time to time amended);

“**Securities Laws**” has the meaning attributed thereto in Policy 1.1 – *Interpretation*, as amended from time to time, of the TSXV Manual;

“**Security Based Compensation Arrangement**” for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Corporation provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Corporation’s treasury to Executives, Employees or Consultants, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan guarantee or otherwise, but for greater certainty does not involve compensation arrangements which do not involve the issuance or potential issuance of securities from the Corporation’s treasury or arrangements under which compensation arrangements are settled solely in cash and/or securities purchased on the secondary market;

“**Share**” means one (1) common share in the capital of the Corporation as constituted on the Effective Date or after an adjustment contemplated by Article 7, such other shares or securities to which the holder of an Option may be entitled as a result of such adjustment;

“**Shareholder Approval**” means approval by the Corporation’s shareholders in accordance with the policies of the Exchange;

“**Subsidiary**” has the meaning attributed thereto in the Securities Act;

“**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“**Termination Date**” means (i) the date designated by the Participant and the Corporation or a Subsidiary of the Corporation in a written employment agreement, or other written agreement between the Participant and Corporation or a Subsidiary of the Corporation, or (ii) if no written agreement exists, the date designated by the Corporation or a Subsidiary of the Corporation, as the case may be, on which a Participant ceases to be an employee of the Corporation or a Subsidiary of the Corporation or ceases to provide services to the Corporation or a Subsidiary of the Corporation, as the case may be, provided that, in the case of termination of employment or termination of services by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and “Termination Date” specifically does not mean the date of termination of any period of reasonable notice that the Corporation or a Subsidiary of the Corporation, as applicable, may be required by law to provide to the Participant;

“**Triggering Event**” means:

- (a) the proposed dissolution, liquidation or wind-up of the Corporation;
- (b) a proposed Change in Control;
- (c) the proposed sale or other disposition of all or substantially all of the assets of the Corporation; or
- (d) a proposed material alteration of the capital structure of the Corporation which, in the opinion of the Plan Administrator, is of such a nature that it is not practical or feasible to make adjustments to the Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect;

“**TSXV**” means the TSX Venture Exchange;

“**TSXV Manual**” means the TSXV Corporate Finance Manual;

“**Vested**” means a portion of the Option granted to the Participant which is available to be exercised by such Participant at any time and from time to time;

“**Voting Share**” means a security of a Company that:

- (a) is not a debt security; and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing; and

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

2.2 Interpretation

- (a) Whenever the Plan Administrator exercises discretion in the administration of the Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (b) As used herein, the terms “Article”, “Section” and “clause” mean and refer to the specified Article, Section and clause of the Plan, respectively.
- (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (d) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment is required to be made on a day which is not a Business Day such action shall be taken or such payment shall be made by the immediately preceding Business Day.
- (e) Unless otherwise specified, all references to money amounts are to Canadian currency.

- (f) The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 3 ADMINISTRATION

3.1 Administration

Subject to and consistent with the terms of the Plan, Applicable Laws and the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Plan will be administered by the Plan Administrator, and the Plan Administrator has sole and complete authority, in its discretion, without limitation, to:

- (a) determine the Persons who are eligible to be Participants in accordance with Section 3.4;
- (b) make grants of Options under the Plan relating to the issuance of Shares in such amounts, to such Participants and, subject to the provisions of the Plan, on such terms and conditions as it determines including without limitation:
 - (i) the time or times at which Options may be granted, including the applicable Date of Grant
 - (ii) the conditions under which an Option or any portion thereof may be granted to a Participant including, without limitation, the Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) the consequences of a termination with respect to an Option;
 - (iv) the number of Shares subject to each Option;
 - (v) whether restrictions or limitations are to be imposed on the Shares issuable pursuant to grants of any Option, and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or vesting, or waiver of termination regarding any Option, based on such factors as the Plan Administrator may determine;
- (c) establish the form or forms of the Option Certificate and Exercise Notice;
- (d) amend the terms of any Option, subject to and in accordance with the terms and conditions of the Plan;
- (e) cancel, amend, adjust or otherwise change any Option under such circumstances as the Plan Administrator may consider appropriate in accordance with the provisions of the Plan, including but not limited to:
 - (i) allowing non-Vested Options to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or Disability;

- (ii) providing that the Options with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;
 - (iii) providing for the continuation of any Option for such period which is not longer than 12 months from the Termination Date or 12 months from the date of death or Disability of the Participant, and upon such terms and conditions as are determined by the Plan Administrator in the event that a Participant ceases to be an Executive, Employee or Consultant, as the case may be;
 - (iv) providing that Vested Options may be exercised for periods longer or different from those set forth in the Plan, subject to the applicable rules of the Exchange; and
 - (v) setting any other terms for the exercise or termination of an Option upon termination of employment or service;
- (f) construe and interpret the Plan and all Option Certificates;
 - (g) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Price of the Shares;
 - (h) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
 - (i) determine whether, to what extent, and under what circumstances an Option may be exercised in cash, through a cashless exercise or through net exercise pursuant to Section 4.8;
 - (j) determine the duration and purposes of leaves of absence from employment or engagement by the Corporation which may be granted to Participants without constituting a termination of employment or engagement for purposes of the Plan;
 - (k) authorize Persons to execute such documents and instruments as may be necessary to carry out the purposes of the Plan and grants of Options from time to time hereunder;
 - (l) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan; and
 - (m) make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Plan.

3.2 Delegation to Committee

- (a) The initial Plan Administrator shall be the Board.
- (b) To the extent permitted by Applicable Law, the Board may, from time to time, delegate to a committee of the Corporation (the “**Committee**”), consisting of not less than two of its members, all or any of the powers conferred on the Plan Administrator pursuant to the Plan, including the power to sub-delegate to any specified Directors or Officers all or any of the

powers delegated by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

- (c) In the event the Board delegates to the Committee all or any of the powers conferred on the Plan Administrator pursuant to the Plan, the Committee or any sub-delegate will exercise the powers delegated to it in the manner and on the terms authorized by the delegating party. Any decision made or action taken by the Committee or any sub-delegate arising out of or in connection with the administration or interpretation of the Plan in this context is final and conclusive and binding on the Corporation and all affiliates of the Corporation, all Participants and all other Persons.

3.3 Determinations Binding

Any decision made or action taken by the Board, the Committee or any sub-delegate to whom authority has been delegated pursuant to Section 3.2 arising out of or in connection with the administration interpretation of the Plan is final, conclusive and binding on all affected Persons, including the Corporation and any of its Subsidiaries, the affected Participants and their Personal Representatives, any shareholder of the Corporation and all other Persons.

3.4 Eligibility

Subject to the discretion of the Plan Administrator, all Executives, Employees and Consultants are eligible to participate in the Plan. Participation in the Plan is voluntary and eligibility to participate does not confer upon any Executive, Employee or Consultant any right to receive any grant of an Option pursuant to the Plan. In addition, in order to be eligible to receive Options, in the case of Employees and Consultants, the Option Certificate to which they are a party must contain a representation of the Corporation and of such Employee or Consultant, as the case may be, that such Employee or Consultant is a bona fide Employee or Consultant of the Corporation or a Subsidiary of the Corporation, as the case may be.

3.5 Board Requirements

Any Option granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Shares issuable pursuant to such Option upon any securities exchange or under any Applicable Laws of any jurisdiction, or the consent or approval of the Exchange and any securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation is necessary as a condition of, or in connection with, the grant or exercise of such Option or the issuance or purchase of Shares thereunder, such Option may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval. Participants shall, to the extent applicable, cooperate with the Corporation in complying with such legislation, rules, regulations and policies.

3.6 Liability Limitation and Indemnification

No member of the Board or the Committee shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Option Certificate or any Option granted hereunder.

3.7 Total Shares Subject to Options

Subject to adjustment pursuant to Article 7, the number of Shares hereby reserved for issuance to Participants under the Plan shall not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. There are 3,734,000 Options (the “**Outstanding Options**”) outstanding on the date hereof which were granted under the Prior Plan, which will remain in full force and effect in accordance with their terms. The number of Shares issuable upon exercise of the Outstanding Options shall be included in the calculation of the maximum number of Shares issuable pursuant to Options. Any Shares subject to an Option which has been granted under the Plan and which has been cancelled, terminated, surrendered, forfeited or expired without having been exercised as provided for in the Plan shall again be available under the Plan.

3.8 Limits on Options

Notwithstanding anything in the Plan, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) unless disinterested Shareholder Approval is obtained in accordance with the policies of the TSXV (or unless permitted otherwise by the policies of the TSXV):
 - (i) the maximum number of Shares that may be issued to any one Participant (and where permitted pursuant to the policies of the TSXV, any Company that is wholly-owned by the Participant) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, within a 12-month period, may not exceed 5% of the issued Shares calculated on the Date of Grant;
 - (ii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Date of Grant; and
 - (iii) the maximum number of Shares that may be issued to Insiders (as a group) under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, may not exceed 10% of the issued Shares at any time;
- (b) the maximum number of Shares that may be issued to any one Consultant under the Plan, together with all of the Corporation’s other Security Based Compensation Arrangements, within a 12-month period, may not exceed 2% of the issued Shares calculated on the Date of Grant;
- (c) the maximum number of Shares issuable pursuant to Options which may be granted within any 12-month period to Investor Relations Service Providers (as a group) must not exceed 2% of the issued Shares calculated on the Date of Grant;
- (d) Options granted to Investor Relations Service Providers must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period; and
- (e) any Options granted to a Participant who ceases to be a Participant under the Plan for any reason whatsoever shall terminate at a date no later than 12 months from the date such Participant ceases to be a Participant under the Plan.

3.9 Option Certificates

Each Option under the Plan will be evidenced by an Option Certificate. Each Option Certificate will be subject to the applicable provisions of the Plan and will contain such provisions as are required by the Plan and any other provisions that the Plan Administrator may direct.

3.10 Non-transferability of Options

Except to the extent that certain rights may pass to a beneficiary or Personal Representative upon death of a Participant by will or as required by law, no Option is assignable or transferable.

3.11 Resale Restrictions

Any Shares issued by the Corporation upon exercise or settlement of an Option are subject to any resale and trading restrictions in effect pursuant to Applicable Laws and the policies of the Exchange, and the Corporation shall be entitled to place any restriction or legend on any certificates representing such Shares accordingly. Any Option Certificate will bear the following legend, if required pursuant to the policies of the TSXV:

“Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate, and any securities issued upon exercise hereof, may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until **[NTD: The date that is four months and one day after the date of the grant of the Option will be inserted].**”

Any certificate representing Shares issued pursuant to an exercise of an Option before the date that is four month and one day after the date of grant of an Option will bear the following legend, if required pursuant to the policies of the TSXV:

“Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until **[NTD: The date that is four months and one day after the date of the grant of the Option will be inserted].**”

ARTICLE 4 OPTIONS

4.1 Granting of Options

The Plan Administrator may, from time to time, subject to Corporate Policies, the provisions of the Plan and such other terms and conditions as the Plan Administrator may determine, grant Options to any Participant, and in doing so, may, without limitation, in its discretion, (a) designate the Participants who may receive Options under the Plan, (b) fix the number of Options to be granted to each Participant and the date or dates on which such Options shall be granted, and (c) determine the relevant conditions and vesting schedules in respect of any Options.

4.2 Options Account

All Options received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Date of Grant. The terms and conditions of each Option grant shall be evidenced by an Option Certificate.

4.3 Exercise Period of Options

Subject to Sections 4.10, 5.1, and 7.4 and Article 6, the Date of Grant and the Expiry Date of an Option shall be the dates fixed by the Plan Administrator at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that the duration of such Option will not exceed the maximum term permitted by each organized trading facility on which the Shares are listed, being 10 years for the TSXV from the Date of Grant of such Option (subject to extension where the Expiry Date is within a Black-Out period pursuant to Section 5.1).

4.4 Number of Shares under an Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option.

4.5 Exercise Price of an Option

The Exercise Price at which a Participant may purchase a Share upon the exercise of an Option shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Price of the Shares as of the Date of Grant. The Market Price of the Shares for a particular Date of Grant shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Price will be:
 - (i) the closing trading price of the Shares on the day immediately preceding the issuance of the news release announcing the grant of the Option, or
 - (ii) if, in accordance with the policies of the TSXV, the Corporation is not required to issue a news release to announce the grant and exercise price of the Option, the closing trading price of the Shares on the day immediately preceding the Date of Grant,

and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;

- (b) if the Shares are listed on more than one organized trading facility, the Market Price shall be the Market Price as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Plan Administrator, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator; and

- (d) if the Shares are not listed on any organized trading facility, then the Market Price will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Plan Administrator to be the fair value of the Shares, taking into consideration all factors that the Plan Administrator deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Price be less than the minimum prescribed by each of the organized trading facilities that would apply to the Corporation on the Date of Grant in question.

4.6 Vesting of Options and Acceleration

Subject to the limitations in Section 3.8 and all applicable Regulatory Rules, the vesting schedule for an Option, if any, shall be determined by the Plan Administrator and shall be set out in the Option Certificate issued in respect of the Option. The Plan Administrator may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Participant under Section 8.2 of the Plan. Notwithstanding the foregoing, if the Corporation is listed on the TSXV, no acceleration to the vesting schedule of one or more Options granted to an Investor Relations Service Provider can be made without the prior written acceptance of the TSXV.

4.7 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Plan Administrator may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Corporation shall prevail over the terms and conditions in the Option Certificate.

4.8 Exercise of Options

An Option may be exercised only by the Participant or the Personal Representative of any Participant. A Participant or the Personal Representative of any Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Plan Administrator the required Exercise Notice, the applicable Option Certificate and one of following forms of consideration, subject to Applicable Laws:

- (a) *Cash Exercise* - Consideration may be paid by a Participant sending a wire transfer, certified cheque or bank draft payable to the Corporation in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.
- (b) *Cashless Exercise* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, consideration may be paid by a Participant as follows: (i) a brokerage firm loans money to the Participant in order for the Participant to exercise Options to acquire the underlying Shares (the "**Loan**"); (ii) the brokerage firm then sells a sufficient number of Shares to cover the Exercise Price of the Options that were exercised by the Participant in order to repay the Loan; and (iii) the brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Participant receives the balance of the Shares or the cash proceeds from the balance of such Shares.

- (c) *Net Exercise* - Subject to approval from the Plan Administrator and further subject to the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options such that, in lieu of a cash payment to the Corporation, a Participant, excluding Investor Relations Service Providers, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the Exercise Price of the subject Options, by (ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Corporation, must be included in calculating the limits set forth in Sections 3.7, 3.8(a), 3.8(b) and 3.8(c).

4.9 Issue of Share Certificates or Direct Registration Statements

As soon as reasonably practicable following the receipt of the Exercise Notice, the Plan Administrator shall cause to be delivered to the Participant a certificate or direct registration statement for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Plan Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Participant concurrent with delivery of the certificate or direct registration statement for the Shares.

4.10 Termination of Options

Subject to such other terms or conditions that may be attached to Options granted hereunder, a Participant may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Plan Administrator at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, pursuant to Article 6.

ARTICLE 5 ADDITIONAL OPTION TERMS

5.1 Black-Out Period

If the Expiry Date for an Option occurs during the Black-Out period, then, notwithstanding any other provision of the Plan, the Option shall be extended no more than ten Business Days after the date the Black-Out is lifted by the Corporation, unless the delayed expiration would result in tax penalties or the Participant or the Corporation is subject to a cease trade order in respect of the Corporation's securities.

5.2 Withholding Taxes

The granting, vesting or exercise of each Option under the Plan is subject to the condition that if at any time the Plan Administrator determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such grant, vesting or exercise, such action is not effective unless such withholding has been effected to the satisfaction of the Plan Administrator. In such circumstances, the Plan Administrator may require that a Participant pay to the Corporation the minimum amount as the Corporation or a Subsidiary of the Corporation is obliged to remit to the relevant taxing authority in respect of the granting, vesting or exercise of the Option. Any such additional payment is due no later than the date on which such amount with respect to the Option is required to be remitted to

the relevant tax authority by the Corporation or a Subsidiary of the Corporation, as the case may be. Alternatively, and subject to any requirements or limitations under applicable law, the Corporation may (a) withhold such amount from any remuneration or other amount payable by the Corporation or a Subsidiary of the Corporation to the Participant, (b) require the sale of a number of Shares issued upon exercise or vesting of such Option and the remittance to the Corporation of the net proceeds from such sale sufficient to satisfy such amount or (c) enter into any other suitable arrangements for the receipt of such amount. For greater certainty, the application of this Section 5.2 to any granting, vesting or exercise of an Option shall not conflict with the policies of the Exchange that are in effect at the relevant time and the Corporation will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 5.2 if required pursuant to such policies.

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under the Plan, whether arising as a result of the grant or payment in respect of the Option or otherwise. The Corporation, the Plan Administrator and the Board make no guarantees to any Person regarding the tax treatment of an Option or issuances of Shares and none of the Corporation, the Board, the Plan Administrator or any of the Executives, Employees, Consultants, agents, advisors or representatives of the Corporation or the Subsidiary of the Corporation shall have any liability to a Participant with respect thereto.

5.3 Recoupment

Notwithstanding any other terms of the Plan, Options may be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any clawback, recoupment or similar policy adopted by the Corporation or a Subsidiary of the Corporation and in effect at the Date of Grant of the Option, or as otherwise required by law or the rules of the Exchange. The Plan Administrator may at any time waive the application of this Section 5.3 to any Participant or category of Participants.

5.4 No Other Benefit

- (a) No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of a Share or the value of any Option granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.
- (b) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Options whatsoever. Participants are expressly advised that the value of any Options issued pursuant to the Plan will fluctuate as the trading price of the Shares fluctuates.
- (c) In seeking the benefits of participation in the Plan, the Participant shall exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of any Options.

ARTICLE 6 TERMINATION OF EMPLOYMENT OR SERVICES

6.1 Termination of Participant

Subject to Article 7 and unless otherwise determined by the Plan Administrator or as set forth in an Option Certificate:

- (a) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, then each Option held by the Participant that has

not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. The Plan Administrator, in its discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause. In addition, where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation for Cause, the Plan Administrator may, in its discretion, determine that all Options held by the Participant that have Vested as of the Termination Date shall immediately become forfeited, cancelled, null and void, failing which, all Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;

- (b) where a Participant ceases to hold office or his or her position, as applicable, by reason of voluntary resignation by the Participant, then each Option held by the Participant that has not Vested as of the Termination Date is immediately forfeited and cancelled as of the Termination Date. All Options held by the Participant that have Vested as of the Termination Date shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (c) where a Participant's employment or services are terminated by the Corporation or a Subsidiary of the Corporation without Cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice); then:
 - (i) a portion of any Options held by the Participant that are not yet Vested shall immediately vest, with such portion to be equal to the number of unvested Options multiplied by a fraction the numerator of which is the number of days between the Date of Grant and the Termination Date and the denominator of which is the number of days between the Date of Grant and the date the unvested Options were originally scheduled to vest. For clarity and by way of example, if a Participant's employment is terminated 400 days following the Date of Grant and unvested Options were originally scheduled to vest 600 days from the Date of Grant, two-thirds of the unvested Options will immediately vest;
 - (ii) subject to Section 6.1(c)(i), any Options held by the Participant that are not yet Vested at the Termination Date after the application of Section 6.1(c)(i) shall be immediately forfeited to the Corporation; and
 - (iii) any Options held by the Participant that have Vested as of the Termination Date or Vested pursuant to Section 6.1(c)(i) shall be settled in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period;
- (d) notwithstanding that such date may be prior to the Termination Date, a Participant's eligibility to receive further grants of Options under the Plan ceases as of the date that: (i)

the Corporation or a Subsidiary of the Corporation, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 6.1, or (ii) the Participant provides the Corporation or a Subsidiary of the Corporation, as the case may be, with written notification of the Participant's voluntary resignation;

- (e) unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, Options shall not be affected by a change of employment agreement or arrangement, or directorship within or among the Corporation or a Subsidiary of the Corporation for so long as the Participant continues to be an Executive, Employee or Consultant, as applicable, of the Corporation or a Subsidiary of the Corporation.

6.2 Leave of Absence

If a Participant is on sick leave or other bona fide leave of absence, such Participant shall continue to be deemed a "Participant" for the purposes of an outstanding Option during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Plan Administrator in its discretion). If the period of leave exceeds 90 days (or such longer period as may be determined by the Plan Administrator in its discretion), the relationship shall be deemed to have been terminated by the Participant voluntarily on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Plan Administrator) of such leave, unless the Participant's right to reemployment or reengagement of services with the Corporation or a Subsidiary of the Corporation, as applicable, is guaranteed by statute or contract.

6.3 Death or Disability

Where a Participant's employment or services are terminated by reason of the death of the Participant or the Participant becomes Disabled, then each Option held by the Participant that has not Vested as of the date of the death or Disability, as applicable, of such Participant shall vest on such date, and be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; and (ii) first anniversary of the date of the death or Disability of the Participant. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period. A Participant's eligibility to receive further grants of Options under the Plan ceases as of the date of the death or Disability of the Participant.

6.4 Discretion to Permit Acceleration

Notwithstanding the provisions of this Article 6, subject to any necessary Regulatory Approvals and, in the case of Options granted to Investor Relations Service Providers, Section 3.8(d) and Section 4.6, the Plan Administrator may, in its discretion, at any time prior to, or following the events contemplated in Article 6, permit the acceleration of vesting of any or all Options, all in the manner and on the terms as may be authorized by the Plan Administrator, and if such discretion is taken and the vesting of any or all Options occurs, then such Options will be exercised in accordance with Section 4.8.

ARTICLE 7 EVENTS AFFECTING THE CORPORATION

7.1 Change in Control

Except as may be set forth in an employment agreement or other written agreement between the Corporation or a Subsidiary of the Corporation and the Participant and subject to any necessary Regulatory Approvals:

- (a) Unless determined otherwise by the Plan Administrator, if within 12 months following the completion of a transaction resulting in a Change in Control, (i) a Participant's employment or directorship is terminated by the Corporation or a Subsidiary of the Corporation without Cause or (ii) a Participant resigns for Good Reason, without any action by the Plan Administrator, the vesting of all Options held by such Participant shall immediately accelerate and vest on the date of such Participant's termination or resignation for Good Reason and the Options shall be exercisable in accordance with Section 4.8 at any time during the period that terminates on the earlier of: (i) the Expiry Date; (ii) a date determined by the Plan Administrator in its discretion; and (iii) the first anniversary of the Termination Date. Any Option that remains unexercised shall be immediately forfeited upon the termination of such period.
- (b) Notwithstanding Section 7.1(a), the Plan Administrator may, without the consent of any Participant, and subject to prior TSXV acceptance pursuant to Section 8.2(a), as applicable, take such steps as it deems necessary or desirable in connection with a Change in Control, including, without limitation, to cause: (i) the conversion or exchange of any outstanding Options into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Plan Administrator in its discretion, in any entity participating in or resulting from a Change in Control; (ii) outstanding Options to vest and become realizable, or payable; (iii) restrictions applicable to an Option to lapse, in whole or in part prior to or upon consummation of such Change in Control, and, to the extent the Plan Administrator determines, terminate upon or immediately prior to the effectiveness of such Change in Control; (iv) the termination of an Option in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the settlement of such Option or realization of the Participant's rights as of the date of the occurrence of the transaction (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction the Plan Administrator determines in good faith that no amount would have been attained upon the settlement of such Option or realization of the Participant's rights, then such Option may be terminated by the Corporation without payment); (v) the replacement of such Option with other rights or property selected by the Board in its discretion; or (vi) any combination of the foregoing. In taking any of the actions permitted under this Section 7.1(a), the Plan Administrator will not be required to treat all Options similarly in the transaction.

7.2 Triggering Events

Subject to any necessary Regulatory Approvals and notwithstanding any other provisions of the Plan or any Option Certificate, the Plan Administrator may, without the consent of the Participant in question cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event, provided that the Corporation must give written notice to the Participant in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Participant the opportunity to exercise the Vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Corporation proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

7.3 Reorganization of Corporation's Capital

Should the Corporation effect a subdivision or consolidation of Shares or any similar capital reorganization or a payment of a stock dividend (other than a stock dividend that is in lieu of a cash dividend), or should any other change be made in the capitalization of the Corporation that does not constitute a Change in

Control, or in the event of an amalgamation, combination, arrangement, merger or other transaction or reorganization involving the Corporation and occurring by exchange of Shares, by sale or lease of assets or otherwise, that does not constitute a Change in Control, that would warrant the amendment or replacement of any existing Options in order to adjust the number of Shares that may be acquired on the vesting of outstanding Options and/or the terms of any Option in order to preserve proportionately the rights and obligations of the Participants holding such Options, the Plan Administrator may, subject to the prior approval of the Exchange, if required, authorize such steps to be taken as it may consider to be equitable and appropriate to that end, including, but not limited to, permitting the immediate vesting of any unvested Options and amending the Exercise Price payable per Share.

7.4 Assumptions of Options in Acquisitions

Notwithstanding any other provision of the Plan, in connection with a Reverse Takeover, a Change of Business, a Reorganization or an acquisition pursuant to Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Manual, subject to prior TSXV acceptance, security based compensation of a target Company may be cancelled and replaced with substantially equivalent Options under the Plan without shareholder approval, provided that: (a) the number of Shares issuable pursuant to the Options (and their applicable exercise price) is adjusted in accordance with the share exchange ratio applicable to the particular transaction, regardless of whether the adjusted exercise price is below the current Market Price; and (b) any other applicable policies of the TSXV have been complied with.

7.5 No Restriction on Action

The existence of the Plan and of any Options granted hereunder shall not affect, limit or restrict in any way the right or power of the Corporation, the Board or the Corporation's shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise. No Participant or any other Person shall have any claim against any member of the Committee or the Corporation or any Employees, Officers or agents of the Corporation as a result of any such action.

7.6 Issue by Corporation of Additional Shares

Except as expressly provided in this Article 7, neither the issue by the Corporation of shares of any class or securities convertible into or exchangeable for shares of any class, nor the conversion or exchange of such shares or securities, affects, and no adjustment by reason thereof is to be made with respect to the number of Shares that may be acquired as a result of a grant of Options.

7.7 Fractions

No fractional Shares will be issued pursuant to an Option. Accordingly, if, as a result of any adjustment under this Article 7, a Participant would become entitled to a fractional Share, the Participant has the right to acquire only the adjusted number of full Shares (rounded down to the nearest whole number) and no payment or other adjustment will be made with respect to the fractional Shares, which shall be disregarded.

ARTICLE 8
AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN

8.1 Discretion of the Plan Administrator

Subject to any Regulatory Approvals, including, where required, the approval of the TSXV and to Section 8.2, the Plan Administrator may, from time to time, without notice to or approval of the Participants or of the shareholders of the Corporation, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that, no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Plan Administrator determines such adjustment is required or desirable in order to comply with any Applicable Laws or Exchange requirements or as otherwise set out in the Plan.

8.2 Amendment of Option or Plan

Notwithstanding Section 8.1 and subject to any rules of the Exchange, if the Corporation is listed on the TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) any adjustment to Options, other than in connection with a security consolidation or security split, is subject to the prior acceptance of the TSXV;
- (b) any amendment to the Plan is subject to the prior acceptance of the TSXV, except for amendments to: (i) reduce the number of Shares that may be issued under the Plan, (ii) increase the Exercise Price of Options, or (iii) cancel Options;
- (c) subject to any rules of the TSXV, approval of shareholders of the Corporation shall be required for any amendment to the Plan except for amendments to: (i) fix typographical errors, and (ii) clarify existing provisions of the Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and
- (d) any reduction in the Exercise Price of an Option, or extension to the Expiry Date of an Option, held by an Insider at the time of the proposed amendment is subject to disinterested shareholder approval in accordance with the policies of the TSXV.

ARTICLE 9
MISCELLANEOUS

9.1 Legal Requirement

The Corporation is not obligated to grant any Options, issue any Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its discretion, such action would constitute a violation by a Participant or the Corporation of any provision of any applicable statutory or regulatory enactment of any government or government agency or the requirements of any Exchange upon which the Shares may then be listed.

9.2 Rights of Participant

No Participant has any claim or right to be granted an Option and the granting of any Option is not to be

construed as giving a Participant a right to remain as an Executive, Employee or Consultant of the Corporation or a Subsidiary of the Corporation. Neither the Participant nor such Participant's Personal Representatives shall have any rights whatsoever as a shareholder of the Corporation in respect of Shares issuable pursuant to any Option until the allotment and issuance to such Participant or the liquidator, executor or administrator, as the case may be, of the estate of such Participant, of certificates representing such Shares (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Corporation).

9.3 Conflict

In the event of any conflict between the provisions of the Plan and the provisions of an Option Certificate, an employment agreement or another written agreement between the Corporation or a Subsidiary of the Corporation and a Participant, the provisions of the Plan shall govern.

9.4 Anti-Hedging Policy

By accepting the Option, each Participant acknowledges that he or she is restricted from purchasing financial instruments such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of Options.

9.5 No Guarantee of Tax Consequences

Neither the Plan Administrator nor the Corporation makes any commitment or guarantee that any specific tax treatment will apply or be available to the Participants.

9.6 Participant Information

Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian appointed in respect of the Plan and other third parties, and may be disclosed to such Persons (including Persons located in jurisdictions other than the Participant's jurisdiction of residence), in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

9.7 Participation in the Plan

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or engagement nor a commitment on the part of the Corporation to ensure the continued employment or engagement of such Participant.

9.8 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Corporation and its affiliates.

9.9 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability

of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

9.10 Notices

All written notices to be given by the Participant to the Corporation shall be delivered by (a) hand or courier, with all fees and postage prepaid, addressed using the information specified below, or designated otherwise by the Corporation in writing; or (b) email to the email address that the parties regularly use to correspond with one another or to any other email address specified by the Corporation in writing to the Participant:

Orsu Metals Corporation
1 - 15782 Marine Drive
White Rock, BC, V4B 1E6

Attention: Corporate Secretary

Such notices are, if delivered by hand or by courier, deemed to have been given by the sender and received by the addressee at the time of delivery. Any notice sent by email will be deemed to have been given by the sender and received by the addressee on the first Business Day after it was transmitted. Any notice given by either the Participant or the Corporation is not binding on the recipient thereof until received.

9.11 Effective Date and Replacement

The Plan shall become effective upon the receipt of all required shareholder and regulatory approvals, being the Effective Date, and will replace the Prior Plan. All awards granted under the Prior Plan and which remain outstanding at the Effective Date will remain in full force and effect in accordance with their terms; however, following the Effective Date, no additional grants shall be made under the Prior Plan, and the Prior Plan will terminate on the date upon which no further Outstanding Options remain outstanding.

9.12 Governing Law

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

9.13 Submission to Jurisdiction

The Corporation and each Participant irrevocably submits to the exclusive jurisdiction of the courts of competent jurisdiction in the Province of British Columbia in respect of any action or proceeding relating in any way to the Plan, including with respect to the grant of Options and any issuance of Shares made in accordance with the Plan.