



NOTICE OF 2021 ANNUAL AND SPECIAL
MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

(TSX: ESM)
www.eurosunmining.com

EURO SUN MINING INC.

66 Wellington Street West Suite 5300,
TD Bank Tower Box 48 Toronto ON M5K 1E6 Canada

NOTICE OF THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual and special meeting (the “**Meeting**”) of shareholders of Euro Sun Mining Inc. (the “**Corporation**”) will be held at on Monday, June 21, 2021 at 10:00 a.m. (Toronto time) virtually via live audio webcast online at <https://virtual-meetings.tsxtrust.com/1159> for the following purposes for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2020, together with the auditors’ report thereon,;
2. to elect the directors of the Corporation;
3. to re-appoint McGovern Hurley LLP, Chartered Accountants, as auditor of the Corporation until the close of the next annual general meeting of shareholders;
4. to consider and, if deemed advisable, approve, with or without variation, an ordinary resolution approving the Corporation’s share incentive plan, as more particularly described and set forth in the Circular; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

This year, out of an abundance of caution, to proactively deal with the public health impact of the COVID-19 outbreak, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

Registered Shareholders and duly appointed proxyholders will be able to attend the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the Circular. Non-registered Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting.

A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (including a non-registered Shareholder who wishes to appoint themselves to attend) must carefully follow the instructions in the Circular and on their form of proxy or voting instruction form. These instructions include the additional step of registering such proxyholder with our transfer agent, TSX Trust Company, after submitting their form of proxy or voting instruction form. Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving a user name to participate in the Meeting and only being able to attend as a guest.

Voting by Mail or Courier Before the Meeting:

TSX Trust Company
Attention: Proxy Department
301 - 100 Adelaide Street West, Toronto, ON M5H 4H1

Voting by Internet Before the Meeting.

Enter the 12-digit control number printed on the form of proxy at <http://www.voteproxyonline.com/>.

A non registered shareholder should follow the instructions included on the voting instruction form provided by his/her/its Intermediary (as defined in the Circular).

A proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to TSX Trust Company no later than 10:00 a.m. (Toronto time) on June 17, 2021 (or, if the Meeting is adjourned or postponed, 48 hours (Saturdays, Sundays and holidays excepted) prior to the time of holding the Meeting) in accordance with the delivery instructions above. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

DATED at Toronto, Ontario, this 13th day of May, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

“Peter Vukanovich” (signed)

Peter Vukanovich
Chairman of the Board

Notes:

1. A Management Information Circular, Form of Proxy and Financial Statement Request Form accompany this Notice of Meeting.
2. In accordance with the requirements of the *Canada Business Corporations Act*, the directors have fixed a record date of May 11, 2021. Accordingly, shareholders registered on the books of the Corporation as of May 11, 2021 are entitled to notice of the Meeting and to vote at the Meeting.
3. If you are a beneficial shareholder and receive these materials through your broker, intermediary, trustee or other nominee, please complete and return the materials in accordance with the instructions provided to you by your broker, intermediary, trustee or other nominee.

EURO SUN MINING INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

May 13, 2021

This Management Information Circular (this “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Euro Sun Mining Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of shareholders of the Corporation to be held at on Monday, June 21, 2021 at 10:00 a.m. (Toronto time) for the purposes set forth in the attached Notice of Meeting (the “**Notice**”) and at any adjournment thereof. The Meeting will be held in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Meeting online is provided below. See “*Voting Information*” below.

It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally (including by phone or email) by directors, officers or employees of the Corporation. The cost of proxy solicitation will be borne by the Corporation.

Unless otherwise indicated, the information in this Circular is given as of May 11, 2021, and all dollar amounts are in Canadian dollars.

The Corporation’s registered office is located at 66 Wellington Street West Suite 5300, TD Bank Tower Box 48 Toronto ON M5K 1E6 Canada.

MEETING INFORMATION

This year, out of an abundance of caution, to proactively deal with the public health impact of COVID-19 outbreak, and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

The Meeting will be held on June 21, 2021 at 10:00 a.m. (Toronto time) virtually via live audio webcast online at <https://virtual-meetings.tsxtrust.com/1159>. The meeting ID is 1159, and password eurosun2021. Registered shareholders of the Corporation (“**Registered Shareholders**”) and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Non-registered shareholders (“**Non-Registered Holders**”) who have not duly appointed themselves as proxyholders may attend the Meeting as guests. Guests will not be able to vote at the Meeting. See “*Voting Information*” below.

Registered Shareholders and duly appointed proxyholders who participate at the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out below under “*Voting Information*”. Non-Registered Holders who have not duly appointed themselves as proxyholders may still attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to vote at the Meeting. See “*Voting Information – Voting at the Meeting*” below.

VOTING INFORMATION

Shareholders may vote before the Meeting or vote at the Meeting, as described below.

1. Voting Before the Meeting

Appointment of Proxies

The persons named in the enclosed Form of Proxy are officers of the Corporation.

A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for or on behalf of the shareholder at the Meeting other than the persons designated in the enclosed Form of Proxy. Such right may be exercised by striking out the names of the persons designated in the Form of Proxy, or by preparing another proxy in proper form, and inserting in the blank space provided for that purpose the name of the desired person and delivering the executed proxy to TSX Trust Company, 100 Adelaide St W #301, Toronto, ON M5H 1S3, at any time prior to 10:00 a.m. (Toronto time) on June 17, 2021.

A shareholder forwarding the enclosed Form of Proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The common shares of the Corporation (the **“Common Shares”**) represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A shareholder who has given the enclosed Form of Proxy has the right under subsection 148(4) of the *Canada Business Corporations Act* (the **“CBCA”**) to revoke the proxy (i) by instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized, and deposited at the registered office of the Corporation at any time prior to 4:30 p.m. (Toronto time) on the last business day preceding the day of the Meeting, or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, or (ii) in any other manner permitted by law.

A registered Shareholder may submit, in advance of the Meeting, his/her/its proxy by mail, or over the internet in accordance with the instructions below.

Voting by Mail or Courier Before the Meeting:

TSX Trust Company
Attention: Proxy Department
301 - 100 Adelaide Street West, Toronto, ON M5H 4H1

Voting by Internet Before the Meeting.

Enter the 12-digit control number printed on the form of proxy at <http://www.voteproxyonline.com/>.

A Non-Registered Holder should follow the instructions included on the voting instruction form provided by his/her/its Intermediary (as defined below).

Non Registered Holders

Only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a Non-Registered Holder are registered either:

- A. in the name of an intermediary (each, an “**Intermediary**” and collectively, the “**Intermediaries**”) that the Non Registered Holder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans; or
- B. 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 NI 54-101, the Corporation has distributed copies of the form of proxy and supplemental mailing card (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non Registered Holders unless a Non Registered Holder has waived the right to receive them. Intermediaries will generally use service companies (such as Broadridge Financial Solutions, Inc.) to forward the Meeting Materials to Non Registered Holders. Generally, a Non Registered Holder who has not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non Registered Holders to direct the voting of the Common Shares they beneficially own. Non Registered Holders should follow the procedures set out below, in addition, if applicable, to the procedures set out below under “*Voting at the Meeting – Appointment of a Third Party as Proxy*”, depending on the type of form they receive:

- A. **Voting Instruction Form.** In most cases, a Non Registered Holder will receive, as part of the Meeting Materials, a voting instruction form. If the Non Registered Holder does not wish to attend and vote at the Meeting (or have another person attend and vote on the Non-Registered Holder’s behalf), but wishes to direct the voting of the Common Shares they beneficially own, the voting instruction form must be submitted by mail, or over the internet in accordance with the directions on the form. If a Non Registered Holder wishes to attend and vote at the Meeting (or have another person attend and vote on the Non Registered Holder’s behalf), the Non Registered Holder must appoint themselves in advance of the proxy cut-off date, complete the Request for Control Number form (<https://tsxtrust.com/resource/en/75>) and email this form to tsxtrustproxyvoting@tmx.com in order to receive a control number to vote online.

or

- B. **Form of Proxy.** Less frequently, a Non Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non Registered Holder but which is otherwise uncompleted. If the Non Registered Holder does not wish to attend and vote at the Meeting (or have another person attend and vote on the Non Registered Holder’s behalf), but wishes to direct the voting of the Common Shares they beneficially own, the Non Registered Holder must complete the form of proxy and submit it to TSX Trust as described above. If a Non Registered Holder wishes to attend and vote at the Meeting

(or have another person attend and vote on the Non-Registered Holder's behalf), the Non Registered Holder must strike out the persons named in the proxy and insert the Non Registered Holder's (or such other person's) name in the blank space provided.

In either case, Non Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or the voting instruction form is to be delivered. In addition, if applicable, Non-Registered Holders should follow the procedures set out below under "*Voting at the Meeting – Appointment of a Third Party as Proxy*".

A Non Registered Holder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote given to an Intermediary at any time by written notice to the Intermediary in accordance with the instructions received from the Intermediary, except that an Intermediary may not act on a revocation of a voting instruction form or a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary in sufficient time prior to the Meeting.

A Non Registered Holder may fall into two categories – those who object to their identity being made known to the issuers of the securities which they own ("**Objecting Beneficial Owners**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**Non-Objecting Beneficial Owners**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their Non-Objecting Beneficial Owners from Intermediaries. Pursuant to NI 54-101, issuers may obtain and use the Non-Objecting Beneficial Owners list in connection with any matters relating to the affairs of the issuer, including the distribution of proxy-related materials directly to Non-Objecting Beneficial Owners. The Corporation is sending Meeting Materials directly to Non-Objecting Beneficial Owners; the Corporation uses and pays Intermediaries and agents to send the Meeting Materials. The Corporation also intends to pay for Intermediaries to deliver the Meeting Materials to Objecting Beneficial Owners.

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

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

Exercise of Discretion By Proxies

The persons named in the enclosed Form of Proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such Common Shares will be voted FOR each of the matters identified in the Notice and described in this Circular.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters that may properly come before the Meeting. As of the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice.

2. Voting at the Meeting

The Meeting will be hosted virtually via live audio webcast at:

<https://virtual-meetings.tsxtrust.com/1159>

Meeting ID: 1159

Password: eurosun2021

Registered Shareholders entitled to vote at the Meeting may attend and vote at the Meeting virtually by following the steps listed below:

1. Type in <https://virtual-meetings.tsxtrust.com/1159> on your browser at least 15 minutes before the Meeting starts.
2. Click on “I have a control number”.
3. Enter your 12-digit control number (on your proxy form).
4. Enter the password: eurosun2021 (case sensitive).
5. When the ballot is opened, click on the “Voting” icon. To vote, simply select your voting direction from the options shown on screen and click Submit. A confirmation message will appear to show your vote has been received.

Beneficial Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:

1. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or VIF.
2. Sign and send it to your intermediary, following the voting deadline and submission instructions on the VIF.
3. Obtain a control number by contacting TSX Trust Company by emailing tsxtrustproxyvoting@tmx.com the “Request for Control Number” form, which can be found here <https://tsxtrust.com/resource/en/75>.
4. Type in <https://virtual-meetings.tsxtrust.com/1159> on your browser at least 15 minutes before the Meeting starts.
5. Click on “I have a control number”.
6. Enter the control number provided by tsxtrustproxyvoting@tmx.com
7. Enter the password: eurosun2021 (case sensitive).
8. When the ballot is opened, click on the “Voting” icon. To vote, simply select your voting direction from the options shown on screen and click Submit. A confirmation message will appear to show your vote has been received.

If you are a Registered Shareholder and you want to appoint someone else (other than the Management nominees) to vote online at the Meeting, you must first submit your proxy indicating who you are appointing. You and your appointee must then register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the “Request for Control Number” form, which can be found here <https://tsxtrust.com/resource/en/75>.

If you are a non-registered shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the “Request for Control Number” form, which can be found here <https://tsxtrust.com/resource/en/75>.

Guests can also listen to the Meeting by following the steps below:

1. Type in <https://virtual-meetings.tsxtrust.com/1159> on your browser at least 15 minutes before the Meeting starts. Please do not do a Google Search. Do not use Internet Explorer.
2. Click on “I am a Guest”.

If you have any questions or require further information with regard to voting your Common Shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at tmxeinvestorservices@tmx.com.

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences, if you wish to do so. It is your responsibility to ensure connectivity for the duration of the Meeting. You should not use Internet Explorer as a browser due to technical incompatibilities and should allow ample time to check into the Meeting online and complete the related procedure.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of the date of this Circular, a total of 171,250,514 Common Shares and no preferred shares were issued and outstanding.

Each Common Share entitles the holder thereof to one vote at all meetings of shareholders of the Corporation.

Shareholders of record as of May 11, 2021 shall be entitled to either (i) attend in person and vote at the Meeting the Common Shares held by them or, (ii) attend by proxy and vote at the Meeting the Common Shares held by them, provided a completed and executed proxy shall have been delivered to the Corporation as specified above under the heading “Appointment, Revocation and Deposit of Proxies”.

As of the date of this Circular, to the knowledge of the directors and senior officers of the Corporation, no one shareholder owns, directly or indirectly, more than 10% of the issued and outstanding Common Shares. As of the date of this Circular, the directors and officers of the Corporation own or control, directly or indirectly, in the aggregate, 616,193 Common Shares representing approximately 0.36% of the current issued and outstanding Common Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements and Auditors' Report

The directors of the Corporation will present to the shareholders at the Meeting the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2020, together with the auditors' report thereon,. No vote by the shareholders with respect to such financial statements is required or proposed to be taken.

2. Election of Directors

The Articles of Incorporation of the Corporation provide that the board of directors (the "**Board**") shall consist of not more than ten directors and not less than one director to be elected annually.

Unless otherwise specified, the persons named in the enclosed Form of Proxy will vote FOR the election of the nominees whose names are set forth below.

All of the nominees are current directors of the Corporation. All of the nominees are eligible to be directors and have expressed a willingness to act as such. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director, but if this should occur for any reason prior to the Meeting, the persons named in the enclosed Form of Proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the close of the next annual meeting of shareholders of the Corporation following his or her election, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation.

The following sets out the name of each person proposed to be nominated for election as a director, his or her present principal occupation or employment, the date on which he or she was first elected or appointed a director of the Corporation and the approximate number of Common Shares beneficially owned, directly or indirectly, or over which he or she exercises control or direction as at the date of this Circular. Shareholders will be asked to vote for each nominated director on an individual basis.

Director**History****Scott Moore**

Toronto, Ontario

Director since: August 4, 2016

Age: 56

Independent: No

Mr. Moore is the Corporation's Chief Executive Officer. Mr. Moore is a business executive with over 25 years of experience in the resource and durable goods sectors. He is the former President and CEO of Dacha Strategic Metals, and Executive Vice President of Sulliden Mining Capital Inc. Mr. Moore holds a Bachelor of Arts degree from the University of Toronto and an MBA from the Kellogg School of Management.

Securities Held⁽¹⁾

Common Shares	102,650
Outstanding Options	4,108,753
Deferred Share Units	2,100,000

Other Public Company Board Membership

O2 Gold Inc.

Director**History****Eva Bellissimo**

Toronto, Ontario

Director since: April 9, 2019

Age: 44

Independent: Yes

Ms. Bellissimo is a partner with McCarthy Tétrault LLP, where she co-leads McCarthy Tétrault's Global Metals & Mining Group. Ms. Bellissimo's practice focuses on M&A, corporate finance and securities law compliance matters. With over 19 years of experience in the mining industry, Ms. Bellissimo has been a trusted advisor to numerous companies in the industry and has led hundreds of transactions, having developed a strong reputation as a strategic and pragmatic lawyer. Ms. Bellissimo is a graduate of Western University, B.A. (ACS) (with Distinction), 1998, and Western University Law School, LL.B., 2001.

Securities Held⁽¹⁾

Options	300,000
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Other Public Company Board Membership

i-80 Gold Corp.

Director	History
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Danny Callow

Somerset West, South Africa

Director since: October 15, 2019

Age: 50

Independent: Yes

Mr. Callow has over 25 years of experience in building and operating large tonnage mines globally. Mr. Callow was formerly Head of African Copper Operations for Glencore PLC., Chief Executive Officer and Executive Director of Katanga Mining Limited and Chief Executive Officer of Mopani Copper Mines PLC. Mr. Callow is a Professional Mining Engineer and holds an MBA from Henley Management College and a Bachelor (Hons) of Mining Engineering from the Camborne School of Mines. In addition, he holds a non-executive Director professional diploma from FT-London.

Securities Held⁽¹⁾

Options	300,000
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Other Public Company Board Membership

African Gold Group, Inc.

Medivolve Inc.

Directors	History
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David C. Danziger

Ontario, Canada

Director since: September 17, 2010

Age: 64

Independent: Yes

Mr. Danziger is a practising Chartered Professional Accountant with over 30 years of experience in audit, accounting and management consulting and over 25 years experience specific to the mineral resource sector. He is currently a partner and the Senior Vice President of Assurance at MNP LLP, Chartered Professional Accountants and also serves as a director for a number of TSX and TSX-V listed companies. Mr. Danziger is a past member of the OSC's Advisory Committee on Small and Medium Sized Enterprises as well as the CPA/PDAC Taskforce on IFRS for Mining.

Securities Held⁽¹⁾

Common Shares	37,435
Outstanding Options	504,376
Deferred Share Units	88,075

Other Public Company Board Membership

Eurotin Inc.

Aumento Capital VIII Corporation

Directors	History
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Bruce Humphrey

Ontario, Canada

Director since: November 7, 2019

Age: 69

Independent: Yes

Mr. Humphrey is a professional mining engineer with over 45 years experience working in senior management roles with both junior and senior mining companies. As Chairman of Consolidated Thompson Iron Mines Limited, he was instrumental in construction of the \$1.2 billion Bloom lake mine project. He was the CEO of Desert Sun Mining and re-developed the Jacobina mine in Brazil back into production and up until its sale to Yamana

Gold in 2006. Mr. Humphrey was the Chief Operating Officer of Goldcorp Inc. from 1998 to 2004 responsible for developing the Red Lake mine into a world class asset. Mr. Humphrey is a former director of Yamana Gold, Rio Alto, B2Gold Corp, Crocodile Gold Corp., Avion Gold and Sulliden Gold Corporation Ltd. He is a member of the Professional Engineers of Ontario.

Securities Held ⁽¹⁾	
Common Shares	300,000
Outstanding Options	300,000
Other Public Company Board Membership During the Last Three Years	
Black Iron Inc	
Troilus Gold Corp.	

Directors	History
<p>Paul J. Perrow</p> <p>Ontario, Canada</p> <p>Director since: June 30, 2020</p> <p>Age: 57</p>	<p>Mr. Perrow has over 30 years of experience in the asset management industry. Mr. Perrow was Senior Vice President, Director of Sales and Marketing with CI Investments Inc. until December 1996. From 1996 to 2013 he held a number of other senior industry positions including Managing Partner of Red Sky Capital, Co-Head and Managing Director of Merrill Lynch Investment Managers Canada, Co-Founder and President of Fairway Capital and President and CEO of BluMont Capital. He currently also serves as a director of CI Financial Corp.</p>

Securities Held ⁽¹⁾	
Outstanding Options	300,000
Other Public Company Board Membership	
CI Financial Corp.	

Director	History
<p>Peter Vukanovich</p> <p>Ontario, Canada</p> <p>Director since: June 30, 2020</p> <p>Age: 62</p>	<p>Mr. Vukanovich is the non-executive chair of the Board. Mr. Vukanovich is an entrepreneurial business leader who has built teams that delivered growth and results through various business cycles over the last 30 years. He's currently a board director of Real Matters Inc. (REAL:TSX) and leads PMV Consulting Inc. in providing a variety of consulting services to financial and technology companies. From May 2016 to October 2018, he was Senior Vice President of Teranet Inc.'s Commercial Solutions division. From June 2013 to September 2015, he served as President and Chief Executive Officer of CFF Bank (now Home Bank), a federally regulated Canadian bank. From October 1997 to May 2012, he held a number of senior executive roles with Genworth Financial Canada/GE Capital Mortgage Insurance Canada, including President and Chief Executive Officer for many of those years. He oversaw its significant growth as it became Canada's largest private mortgage insurance company and listed on the TSX. He was also a founding board member of Edgefront Realty Inc. (now Nexus REIT NXR-UN.V) a TSX venture listed real estate investment trust. Mr. Vukanovich is a Chartered</p>

Professional Accountant, holds a Bachelor of Commerce degree from the University of Toronto and has been a member of numerous not-for-profit boards and advisory committees.

Securities Held⁽¹⁾	
Outstanding Options	300,000
Other Public Company Board Membership	
Real Matters Inc.	

Notes:

- (1) The information as to the number of Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been furnished by the respective proposed directors individually.
- (2) Independent refers to the standards of independence established under National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”).

(i) Board Meetings

The attendance record of each director for all board and committee meetings held during the fiscal year ended December 31, 2020, while the relevant director was on the Board or committee, is as follows:

Name	Board Meetings	Audit Committee Meetings	Corporate Governance and Nominating Committee Meetings	Human Resources and Compensation Committee Meetings
Scott Moore ⁽¹⁾	6 of 6	N/A	1 of 1	N/A
Eva Bellissimo	6 of 6	N/A	4 of 4	4 of 4
Danny Callow ⁽²⁾	5 of 6	3 of 3	N/A	4 of 4
David Danziger	6 of 6	4 of 4	N/A	4 of 4
Bruce Humphrey ⁽³⁾	5 of 6	1 of 2	3 of 4	N/A
Paul Perrow ⁽⁴⁾	3 of 3	N/A	2 of 2	N/A
Peter Vukanovich ⁽⁵⁾	3 of 3	2 of 2	N/A	N/A
Stan Bharti ⁽⁶⁾	N/A	N/A	N/A	N/A
Michael Barton ⁽⁷⁾	0 or 1	1 of 1	1 of 1	N/A

(1) – Mr. Moore was a temporarily appointed to the Corporate Governance and Nominating Committee as a result of director changes and ceased to be a member of the Corporate Governance and Nominating Committee on July 24, 2020.

(2) – Mr. Callow ceased to be a member of the Audit Committee on April 13, 2021.

(3) – Mr. Humphrey ceased to be a member of the Audit Committee on August 12, 2020.

(4) – Mr. Perrow was appointed as a director on June 30, 2020. He was appointed as a member of the Corporate Governance and Nominating Committee on July 24, 2020 and a member of the Audit Committee on April 13, 2021.

(5) – Mr. Vukanovich was appointed as a director on June 30, 2020. He was appointed as a member of the Audit Committee on August 12, 2020.

(6) – Mr. Bharti resigned as a director on January 31, 2020.

(7) – Mr. Barton resigned as a director on March 26, 2020.

(ii) Committees of the Board

The Audit Committee of the Board is currently composed of three directors, being Messrs. Danziger (Chair), Perrow and Vukanovich.

The Corporate Governance and Nominating Committee of the Board is currently composed of three directors, being Ms. Bellissimo (Chair), Mr. Humphrey and Mr. Perrow.

The Human Resources and Compensation Committee of the Board is currently composed of three directors, being Mr. Callow (Chair), Ms. Bellissimo and Mr. Danziger.

(iii) Majority Voting Policy

The Board has adopted a majority voting policy, pursuant which stipulates that if a nominee for election as a director of the Corporation receives a greater number of votes “withheld” than votes “for”, with respect to an election of directors by shareholders, such nominee director will be expected to offer to tender his or her resignation promptly following the meeting of shareholders at which such director is standing for election. The Board will consider such offer to resign and make a decision whether to accept it or not after having taken into account all of the relevant circumstances concerning same. A director who offers to resign in such a situation should not be part of any committee or Board deliberations pertaining to the resignation offer. This policy only applies in circumstances involving uncontested elections of directors. An “uncontested election of directors” means that the number of director nominees is the same as the number of directors to be elected to the Board and that no proxy material is circulated in support of one or more nominees who are not part of the candidates supported by the Board.

(iv) Advance Notice By-Law

Section 35(A) of the Corporation’s By-law No. 1 (the “**Advance Notice By-Law**”), which sets out advance notice requirements for director nominations, was confirmed by the Corporation’s shareholders at the annual and special meeting held on August 4, 2016. The Advance Notice By-Law sets forth a procedure requiring advance notice to the Corporation by any shareholder who intends to nominate any person for election as a director of the Corporation. Among other things, the Advance Notice By-Law fixes a deadline by which shareholders must notify the Corporation of their intention to nominate directors and sets out the information that shareholders must provide in the notice for it to be valid. These requirements are intended to provide all shareholders with the opportunity to evaluate and review all proposed nominees and vote in an informed and timely manner regarding said nominees. The procedures provided for by Section 35(A) do not interfere with the ability of shareholders to requisition a meeting or to nominate directors for election by way of a shareholder proposal in accordance with the CBCA. The Advance Notice By-Law is available on SEDAR at www.sedar.com. As of the date of this Circular, the Corporation has not received any notice of a shareholder’s intention to nominate directors at the Meeting pursuant to the Advance Notice By-Law.

(v) Additional Disclosure Relating to Proposed Directors

Other than as disclosed below, none of the proposed directors are, as at the date of this Circular, or have been, within the 10 years prior to the date of this Circular, a director or executive officer, of any company that, while that person was acting in such capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, other than:
 - (i) Mr. Danziger, in relation to his directorship at American Apparel, Inc. (“**American Apparel**”), a company listed on the NYSE MKT LLC exchange. Mr. Danziger was appointed as a director of American Apparel on July 11, 2011 and resigned as a director on June 14, 2015.

Subsequently, on October 5, 2015, American Apparel announced that it had reached an agreement with its lenders to significantly reduce its debt and interest payments through a consensual pre-arranged reorganization under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware. On October 6, 2015, American Apparel announced that it received a notification letter stating that the staff of NYSE regulation, Inc. determined to suspend trading immediately and commence proceedings to delist American Apparel's common stock from NYSE MKT LLC. The Chapter 11 reorganization was approved by the Court in January 2016; and

- (ii) Mr. Danziger, in relation to a permanent management cease trade order, dated April 16, 2014, which superseded a temporary management cease trade order, dated April 4, 2014 (the "MCTO"), issued by the OSC against Guy Charette, in his capacity as Interim CEO of the Corporation and Rishi Tibriwal, in his capacity as CFO of the Corporation. The MCTO was issued in connection with the Corporation's failure to file its (x) audited annual financial statements for the period ended December 31, 2013, (y) management's discussion and analysis relating to the audited annual financial statements for the period ended December 31, 2013, and (z) corresponding certifications of the foregoing filings as required by National Instrument 52-109 – Certification of Disclosure in the Issuer's Annual and Interim Filings. The MCTO was lifted on June 19, 2014 following the filing of the required continuous disclosure documents on June 17, 2014. During the period of the MCTO, Mr. Danziger was a director of the Corporation;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for Mr. Danziger in respect of American Apparel as disclosed above.

None of the proposed directors have, within the ten years prior to 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 the assets of the proposed director.

None of the proposed directors have 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 security holder in deciding whether to vote for a proposed director.

3. Appointment of Auditors

Shareholders of the Corporation will be asked at the Meeting to re-appoint McGovern Hurley LLP, Chartered Accountants, as the Corporation's auditors to hold office until the close of the next annual meeting of shareholders of the Corporation or until their successors are appointed. McGovern Hurley LLP, Chartered Accountants, have been the auditors of the Corporation since June 21, 2016.

The following table sets out the audit and audit-related fees billed by the Corporation's auditors for the years ended December 31, 2020 and 2019.

Service	2020	2019
Audit Fees	60,000	82,000
Audit-Related Fees	Nil	Nil
Tax Fees	4,500	4,500
Other Fees	Nil	Nil
Total:	64,500	86,500

Unless otherwise specified, the persons named in the enclosed Form of Proxy will vote FOR the said appointment of McGovern Hurley LLP as auditors of the Corporation and FOR authorizing the directors of the Corporation to fix the remuneration of the auditors for the ensuing year.

4. Share Incentive Plan

The share incentive plan (the "**Share Incentive Plan**") provides eligible participants with compensation opportunities that encourage ownership of Common Shares, enhance the ability to attract, retain and motivate the executive officers and other key management and incentivize them to increase the long term growth and equity value of the Corporation in alignment with the interests of Shareholders. The Share Incentive Plan allows the Board or the Human Resources and Compensation Committee to grant long-term incentives to Directors, officers, employees, eligible contractors and others consistent with the provisions of the Share Incentive Plan.

Awards granted under the Share Incentive Plan may consist of stock options ("**Options**"), restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**"). Each award is subject to the terms and conditions set forth in the Share Incentive Plan and to those other terms and conditions specified by the Board or the Human Resources and Compensation Committee.

On April 26, 2021, the Board adopted the Share Incentive Plan, a copy of which is attached to this Circular as Appendix "A". The following is a summary of the principal terms of the Share Incentive Plan, which is qualified in its entirety by the provisions of the plan:

Shares Subject to the Share Incentive Plan

Up to 10% of the Common Shares issued and outstanding from time to time (including shares issued under any other security based compensation arrangement of the Corporation) may be issued pursuant to awards under the Share Incentive Plan, being 17,125,051 Common Shares,

as of the date of this Circular. As there are currently 11,127,425 Options of the Corporation outstanding (being 6.5% of the issued and outstanding Common Shares), 5,997,626 Common Shares remain eligible for issuance under the Share Incentive Plan (being 3.5% of the issued and outstanding Common Shares).

The maximum number of Common Shares that: (i) are issuable to insiders (as defined in the Company Manual of The Toronto Stock Exchange (the "TSX"), including such staff notices of the TSX which may supplement the same); and (ii) may be issued to insiders within a one-year period, in each case, pursuant to awards under the Share Incentive Plan and any other share-based compensation arrangement the Corporation adopts is 10% of the Common Shares outstanding from time to time. The number of shares subject to each award, the exercise price, the expiry time, the extent to which such award is exercisable and other terms and conditions relating to such awards will be determined by the Board or the Human Resources and Compensation Committee. No participant will be granted awards in any single calendar year with respect to more than 3% of the issued and outstanding Common Shares.

An annual grant of awards (excluding any one-time grant such as those made in the fiscal year of the Director's initial service) issued to any Director who is not an officer or employee of the Corporation under the Share Incentive Plan and any other share-based compensation arrangement adopted by the Corporation will not exceed an aggregate grant value of \$150,000 in total equity, of which no more than \$100,000 may be issued in the form of Options.

If, and to the extent, awards granted under the plan: (i) are exercised; or (ii) terminate, expire, cancel or are forfeited, Common Shares subject to such awards will again be available for grant under the Share Incentive Plan. In addition, if and to the extent an award is settled for cash, the Common Shares subject to the award will again be available for grant under the plan.

In the event of any recapitalization, reorganization, arrangement, amalgamation, stock split or consolidation, stock dividend or other similar event or transaction, substitutions or adjustments will be made by the Board or the Human Resources and Compensation Committee to: (i) the aggregate number, class and/or issuer of the securities reserved for issuance under the Share Incentive Plan; (ii) the number, class and/or issuer of securities subject to outstanding awards; and (iii) the exercise price of outstanding Options (A) in a manner that reflects equitably the effects of such event or transaction and (B) is subject to the TSX's consent for so long as the Common Shares or any of the securities of the Corporation are listed on the TSX.

Awards under the Share Incentive Plan are non-assignable and non-transferable although they are assignable to and may be exercisable by a participant's legal heirs or personal representatives in certain cases.

Amendments

The Board may amend the Share Incentive Plan or the terms of any award agreement, provided that (1) no such amendment, modification, change, suspension or termination of the Share Incentive Plan or any Share Incentive Plan award 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 Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (2) shareholder approval is required to: (i) reduce the exercise price or purchase price of awards under the Share Incentive Plan; (ii) extend the term under an award; (iii) permit awards to be transferable or assignable by participants, other than by will or by the laws of descent and distribution (iv) remove or increase the insider participation limits; (v) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of the outstanding

capital represented by such securities; (vi) increase the limits on the total annual grant of awards permitted to be issued to any one independent director; and (vii) amend an amending provision within the Share Incentive Plan.

The Board or the Human Resources and Compensation Committee may, without shareholder approval, amend the Share Incentive Plan with respect to (i) amendments of a “housekeeping nature”; (ii) changes to the vesting or exercise provisions of the Share Incentive Plan or any award; (iii) changes to the provisions of the Share Incentive Plan relating to the expiration of awards prior to their respective expiration dates upon the occurrence of certain specified events; or (iv) the cancellation of an award.

Termination of Service

Unless provided otherwise in the award agreement, if a participant’s service with the Corporation or any of the Corporation’s affiliates terminates due to resignation, the right to exercise any Option that is exercisable at the time of resignation, or in the case of a DSU, RSU or PSU that is unvested at the time of such resignation, will terminate on the date that is 90 days following the earlier of (i) the date of resignation; and (ii) the award’s original expiration date. Unless provided otherwise in the award agreement, if a participant’s service with the Corporation or any of the Corporation’s affiliates terminates due to death or total disability, (A) the right to exercise an Option will terminate on the earlier of one year following such termination and the award’s original expiration date, provided that all Options that will not vest within 12 months following the date of such participant’s death shall immediately and automatically terminate, and (B) any DSUs, RSUs or PSUs will vest on the date of such death or total disability and will settle in accordance with the Share Incentive Plan, subject to with respect to PSUs, the Board shall determine the extent of satisfaction of the performance criteria in determining the number of PSUs that shall be eligible for vesting and exercise. If a participant’s relationship with the Corporation or any of the Corporation’s affiliates terminates for cause, any award (whether vested or unvested) not already exercised will automatically expire and terminate as of the date of such termination. Unless provided otherwise in the award agreement, if a participant’s relationship with the Corporation or any of the Corporation’s affiliates terminates due to termination without cause or retirement, any unvested awards will be prorated to the date of termination.

Change of Control

In the event of a change of control of the Corporation, and unless otherwise provided in an award agreement or a written employment contract between the Corporation and a participant, the Board may provide that: (i) the successor corporation or entity will assume each award or replace it with a substitute award on terms substantially similar to the existing award; (ii) the awards will be surrendered for a cash payment made by the successor corporation or entity equal to the fair market value thereof; or (iii) any combination of the foregoing will occur, provided that the replacement of any Option with a substitute Option shall, at all times, comply with the provisions of subsection 7(1.4) of the *Income Tax Act* (Canada).

If in connection with or within 12 months following a change of control, and unless otherwise provided in an award agreement or a written employment contract between the Corporation and a participant, a participant’s service, consulting relationship, or employment with the Corporation, an affiliate or the continuing entity is terminated without cause, or the participant resigns from his or her employment as a result of certain events set forth in the Share Incentive Plan, then all awards then held by such participant (and, if applicable, the time during which such awards may be exercised) will immediately vest. In the event that an award is subject to

vesting upon the attainment of performance criteria, then the number of Options, DSUs, RSUs or PSUs that shall immediately vest will be determined by multiplying the number of awards subject to such vesting criteria by the pro rata performance criteria achieved by the termination date.

Options

The exercise price of any Option granted under the Share Incentive Plan will be the closing price of the Common Shares on the TSX on the trading day immediately preceding the date on which the Option is granted. The Board or the Human Resources and Compensation Committee will be entitled to determine the Option term for each Option; provided, however, that the exercise period of any Option may not exceed ten years from the date of grant. Vesting for each Option is also determined by the Board or the Human Resources and Compensation Committee.

RSUs

Each RSU represents the right to receive from the Corporation, after fulfilment of any applicable conditions specified by the Board or the Human Resources and Compensation Committee, a payment from the Corporation (i) if settlement is made in cash, in an amount equal to the fair market value (determined at the time of distribution) of one Common Share per each RSU being settled and (ii) if settlement is being made in Common Shares, on the basis of one Common Share per each RSU being settled. Prior to settlement, an RSU will carry no voting or dividend rights or other rights associated with share ownership. Unless otherwise specified in the award agreement, an RSU award may be settled in Common Shares, cash or in any combination of both; however, a determination to settle an RSU in whole or in part in cash may be made by the Board or the Human Resources and Compensation Committee, in its sole discretion. The Board or the Human Resources and Compensation Committee is also entitled to determine the vesting and any conditions for RSUs, provided that a RSU granted under the Share Incentive Plan must be settled on or before December 15th of the third calendar year following the calendar year in which the RSU is granted.

DSUs

Each DSU provides for the right to receive from the Corporation, on a deferred payment basis, a Common Share or the cash equivalent of a Common Share in an amount equal to the fair market value (determined at the applicable date) on the terms contained in the Share Incentive Plan. The amount will not be paid out until the earlier of the death, retirement, or loss of office or employment of the recipient with the Corporation or any of its affiliates, thereby providing an ongoing equity stake throughout the recipient's period of service. Unless otherwise specified in the award agreement, a DSU award may be settled in Common Shares, cash, or in any combination of both, however, a determination to settle a DSU in whole or in part in cash may be made by the Board or the Human Resources and Compensation Committee, in its sole discretion.

PSUs

Each PSU represents a right to receive from the Corporation, after fulfillment of any applicable conditions specified by the Board or the Human Resources and Compensation Committee (including achievement of certain performance criteria), a payment from the Corporation (i) if settlement is made in cash, in an amount equal to the fair market value (at the time of the distribution) of one Common Share per each PSU being settled multiplied by the payout factor, and (ii) if settlement is made in Common Shares, on the basis of one Common Share per each

PSU being settled multiplied by the payout factor. Prior to settlement, a PSU will carry no voting or dividend rights or other rights associated with share ownership. Unless otherwise specified in the award agreement, a PSU award may be settled in Common Shares, cash, or in any combination of both, however, a determination to settle a PSU in whole or in part in cash may be made by the Board or the Human Resources and Compensation Committee, in its sole discretion. The Board or the Human Resources and Compensation Committee will also be entitled to determine the performance period, vesting and any performance criteria for PSUs.

A resolution (the “**Share Incentive Plan Resolution**”) will be placed before the Corporation’s shareholders at the Meeting to approve the Share Incentive Plan. This approval will be effective for three years from the date of the Meeting. If the Share Incentive Plan is approved by shareholders at the Meeting, the legacy stock option plan will continue to apply to awards that are outstanding to the date of approval; however, the Corporation will not issue any new awards under the legacy stock option plan.

If the Share Incentive Plan is not approved by shareholders at the Meeting, Options which have not been allocated as of May 11, 2021 will be cancelled and the Corporation will not be able to grant further Options under the Share Incentive Plan until such time as shareholder (and any applicable regulatory authority) approval is obtained. As well, any Options which are outstanding as of such date and are subsequently cancelled, terminated or exercised will not be available for a new grant of Options. However, previously allocated Options will continue to be unaffected by the approval or disapproval of the Share Incentive Plan Resolution.

In order to be effective, the Share Incentive Plan Resolution must be approved by the affirmative vote of a simple majority of the votes cast at the Meeting in respect of such resolution. The Board unanimously recommends that shareholders vote FOR the Share Incentive Plan Resolution. Accordingly, disinterested shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, the following Share Incentive Plan Resolution:

“BE IT RESOLVED that:

- 1. The share incentive plan of the Corporation (the “**Share Incentive Plan**”), as summarized in the Circular dated May 13, 2021 and in the form attached as Appendix “A” thereto, be and is approved, subject to the Corporation obtaining all required approvals from the Toronto Stock Exchange and any other regulatory authorities;*
- 2. All unallocated entitlements under the Share Incentive Plan be and are hereby approved;*
- 3. The Corporation have the ability to continue granting awards under the Share Incentive Plan until the date that is three years from the date on which these resolutions are passed; and*
- 4. Any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things as such director or officer may deem necessary or advisable to give effect to this resolution.”*

Unless otherwise instructed, the persons named in the Proxy intend to vote FOR the Share Incentive Plan Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Human Resources and Compensation Committee

The compensation program of the Corporation is administered by the Board with the assistance of the Human Resources and Compensation Committee. Based on recommendations from the Human Resources and Compensation Committee, the Board makes decisions in respect of compensation matters relating to senior executives and directors of the Corporation, ensuring consistent application in accordance with industry standards.

The responsibilities of the Human Resources and Compensation Committee include assisting the Board with: (a) establishing key human resources and compensation policies; (b) establishing goals relevant to the performance and incentive compensation of the Chief Executive Officer (the “**CEO**”); (c) evaluating the performance and related incentive compensation entitlement of the CEO; (d) reviewing and evaluating of the performance of senior management as determined by the CEO and related incentive compensation recommendations; and (e) evaluating and setting of compensation for directors.

Specifically, in carrying out these duties, the Human Resources and Compensation Committee:

- reviews and recommends for approval by the Board the compensation philosophy and structure, including short and long-term incentive plans, for the CEO and the other senior officers of the Corporation and to oversee the implementation and administration of compensation policies and programs concerning executive compensation, executive employment contracts, incentive plans, retirement plans and other benefits;
- reviews and recommends for approval by the Board the annual salary/fees, short and long-term incentive awards and other benefits, direct and indirect, including targets tied to corporate goals and personal objectives, for the CEO and the other senior officers (after considering the recommendations of the CEO);
- reviews and recommends for approval by the Board all equity-based grants;
- develops and maintains a position description for the CEO and assesses the performance of the CEO against such position description, corporate goals and objectives and, if applicable, the CEO’s individual goals and objectives;
- identifies any risks arising from the Corporation’s compensation policies and practices that could be reasonably likely to have a material adverse effect on the Corporation;
- ensures that the Corporation has in place programs to attract and develop management of the highest caliber and a process to provide for the orderly succession of senior officers;
- reviews recommendations concerning material changes or amendments to compensation policies and programs;
- reviews the adequacy and form of the compensation of directors and to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director, and to report and make recommendations to the Board accordingly;

- reviews the executive compensation disclosure in continuous disclosure filings; and
- monitors compensation trends and issues generally and particularly as they relate to the industry in which the Corporation operates.

The Human Resources and Compensation Committee consisted of Messrs. Callow (Chair), Ms. Bellissimo and Mr. Danziger, all of which are considered independent within the meaning of NI 52-110.

The significant industry experience of each of the members of the Human Resources and Compensation Committee as directors of other publicly-traded companies, provides them with a suitable perspective to make decisions on the appropriateness of the Corporation's compensation policies and practices and to advise and make recommendations to the other members of the Board.

Objectives of Executive Compensation

The Corporation's executive compensation seeks to align executive compensation with the annual and longer term business objectives of the Corporation taking into consideration the multi-stage transformation being undertaken by the Corporation as it evolves from event based to process based management. The executive compensation program is designed to achieve the following objectives:

- establish executive compensation on an individual basis in order to attract and retain within the Corporation qualified and experienced individuals;
- ensure that compensation is fair and competitive and that it be established, when deemed reasonable and effective to do so, with reference to the market for similar positions in other comparable mining and exploration companies;
- motivate performance with pay at risk linked to the Corporation's successes;
- align management's interests with those of shareholders;
- be contemporary in pay design, employee benefits and perquisites; and
- effectively communicate goals and calculation methodologies so that they are understood by both executives and shareholders.

Executive Compensation-Related Fees

In 2020, the Corporation engaged Human Well (the "**Compensation Consultant**") to review the Corporation's compensation practices against a comparator group of 15 companies of similar stage of development, size and complexity identified by the Compensation Consultant and agreed by the Corporation. Those benchmark companies included NorZinc Ltd, Moneta Porcupine Mines Inc., INV Metals Inc., Dynacor Gold Mines Inc., Anaconda Mining, Erdene Resource Development Corporation, Copper Mountain Mining Corporation, O3 Mining, Troilus Gold Corp., Josemaria Resources Inc., Western Copper and Gold Corporation, Gold X Mining Corp., Bluestone Resources Inc., Belo Sun Mining Corp. and Sierra Metals Inc.

The Human Resources and Compensation Committee completed a detailed review of the recommendations of the Compensation Consultant as well as the benchmark data compiled by

the Compensation Consultant for their report. The report was then used to develop the basis of the Human Resources and Compensation Committee's recommendations to the board for executive compensation for the financial year ended 2020 and 2021.

The table below sets out the aggregate fees billed by compensation advisors for their services related to determining compensation for the Corporation's directors and executive officers for each of the two most recently completed financial years:

Financial Year	Fees Billed
2020	\$32,650
2019	Nil

Note:

(1) Represents the fees incurred by the Corporation to engage HW to review the Corporation's compensation practices and prepare a pay incentive policy.

Elements of Executive Compensation

The following elements of compensation are employed to reward the Corporation's senior executive officers:

Element	Purpose
<u>Base Salaries/Fees</u>	<p>Base salaries/fees form an essential component of the Corporation's compensation strategy as a key to the Corporation remaining competitive, are annually reviewed and fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits. In determining the base salaries/fees of executive officers, the Human Resources and Compensation Committee and the Board consider the following:</p> <ul style="list-style-type: none"> ▪ the recommendations of the CEO (other than in respect of the CEO's compensation); ▪ the base salaries of comparator companies; ▪ the particular responsibilities related to the position; ▪ the experience, expertise and level of the executive officer; and ▪ the executive officer's overall performance based on informal feedback. <p>The emphasis placed on any of these factors is at the discretion of the Board and may vary among the executive officers.</p>
<u>Short-Term Incentives</u>	<p>The purpose of the Corporation's short term incentive program is to provide executives with the opportunity to receive a cash incentive that is broadly related to the progress of the Corporation and individual performance.</p> <p>For the 2020 financial year, the Corporation introduced a balanced scorecard measurement for short-term incentives that will be refined for the 2021 financial year. Currently there is only a balanced scorecard for the CEO, but all executives will have balanced scorecards in 2021 which will align with the Corporation's goals and</p>

Element	Purpose
	<p>strategic direction.</p> <p>The 2020 scorecard focused on (i) leadership, (ii) project planning, (iii) financial metrics and (iv) environment, social and governance matters. The key performance indicators included: (a) lead and build a great team; (b) submit technical plans to governments that are complete and cost effective in a timely manner; (c) ensure the Corporation has adequate financial resources to meet its short and long term goals; and (d) ensure that the Corporation completes its filings in an accurate and timely manner.</p> <p>The Human Resources and Compensation Committee, in making recommendations to the Board in respect of bonus awards, considers the achievement of the above listed milestones. No specific weight was assigned to any criteria individually, rather, the performance of the executive is broadly considered as a whole when determining the level of bonuses, if any, to be paid.</p>
<p><u>Long-Term Incentives</u></p>	<p>Long-term incentives are designed to reward long-term executive performance, the retention of qualified executives and to align executive incentives directly with those of shareholders by retaining a proprietary interest in the equity of the Corporation while at the same time not drawing on the cash resources of the Corporation.</p> <p>The Corporation also bases its long-term incentive awards on a review of each executives performance against the key performance indicators developed by the Corporation and listed above under “<i>Short Term Incentives</i>”. There are no specific weights assigned to any criteria individually. The performance of the Corporation is also broadly considered as a whole when determining long-term incentive awards.</p> <p>The Corporation may in the future grant, subject to the approval of shareholders at the Meeting and the Board at the time of the grant, long-term incentive awards to the executives.</p> <p>Stock Options</p> <p>The Human Resources and Compensation Committee reviews Option grant recommendations made by the CEO with regard to each executive’s individual performance in contributing to the strategic objectives of the Corporation and demand in the market for the skills of that executive.</p> <p>The Human Resources and Compensation Committee makes its recommendations for approval of grants to the Board along with recommendations on an Option award for the executives and Board members.</p> <p>Restricted Share Units</p> <p>Each RSU represents a right to acquire, subject to the fulfillment of any conditions and upon the vesting thereof, a Common Shares or cash equal to the value of a Common Shares on the vesting date with the election to be made at the sole option of the Corporation. The Human Resources and Compensation Committee will review RSU grant recommendations made by the CEO with regard to each executive’s individual performance in contributing to the strategic objectives of the</p>

Element	Purpose
	<p>Corporation and demand in the market for the skills of that executive.</p> <p>The Human Resources and Compensation Committee will make its recommendation for approvals of grants to the Board along with recommendations on an RSU award for the executives and Board members.</p> <p>Deferred Share Units</p> <p>DSUs directly track the value of Common Shares and strengthen the alignment of interests between executives and the Corporation's shareholders by linking a portion of compensation to the future value of Common Shares. DSUs are granted at the market value of Common Shares.</p> <p>DSU awards are used to enable executives to defer a portion of their short-term incentive, effectively converting this to a long-term incentive aligned with stock performance. DSUs are also expected to become a component of director compensation.</p> <p>DSUs are paid out in Common Shares at the time the executive ceases to be eligible to participate in the DSU program, usually at the time of departure from the Corporation.</p>
<u>Benefits and Perquisites</u>	<p>Benefits and perquisites provide protection for the executive and his/her family or provide access to amenities that enable the executive to be more effective. Generally, such arrangements leverage the Corporation's ability to purchase services at a discounted rate over those that would be available to an individual.</p>

Chief Executive Officer Compensation

The components of the CEO's compensation are the same as those that apply to the other executive officers of the Corporation, namely base salary/fee, bonus and long-term incentives. The Human Resources and Compensation Committee reviews and ensures that the compensation of the CEO complies with the principles underlying the Corporation's overall compensation philosophy. The Human Resources and Compensation Committee:

- periodically reviews the CEO's compensation and recommends any changes to the Board for approval;
- reviews corporate goals and objectives relevant to the compensation of the CEO and recommends them to the Board for approval;
- reviews the CEO's compensation against that of his or her peers at comparator companies; and
- reviews and, if appropriate, recommends to the Board for approval any agreements between the Corporation and the CEO, including protections in the event of a change of control or other special circumstances, as appropriate.

Compensation Risks

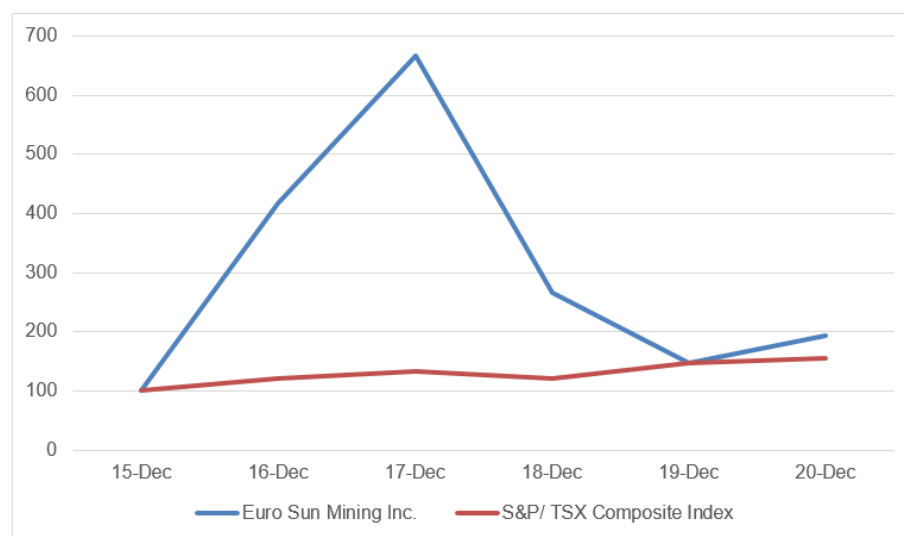
In reviewing the Corporation's compensation practices each year, the Human Resources and Compensation Committee seeks to ensure that (i) the executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of the Corporation; and (ii) compensation practices do not encourage excessive risk-taking behaviour by the executive team. The Corporation's long-term incentives are designed to focus on the Corporation's long-term performance which should discourage executives from taking excessive risks in order to achieve short-term, unsustainable performance.

Insider Trading and Financial Instruments

All of the Corporation's executives, other employees and Directors are subject to an insider trading policy, which prohibits trading in the Corporation's securities while in possession of material undisclosed information about the Corporation.

Performance Graph

The following graph compares the total cumulative shareholder return for \$100 invested in the Corporation's Common Shares on December 31, 2015 against the cumulative shareholder return of the S&P/TSX Composite Index for the five most recently completed financial years. The numbers have been adjusted to reflect the share consolidation which occurred in September 2016:



	Dec 31 2015	DEC 31 2016	DEC 31 2017	DEC 31 2018	Dec 31 2019	Dec 31, 2020
Euro Sun Mining Inc.	100.00	416.00	666.00	266.00	147.00	194.00
S&P/TSX Composite Index	100.00	121.00	132.00	120.00	148.00	156.00

					Non-equity incentive plan compensation (\$)				
Name and Principal Position	Year	Salary/Fees (\$)	Share-based awards ⁽⁴⁾ (\$)	Option-based awards ⁽⁵⁾ (\$)	Annual incentive plans ⁽⁶⁾ (\$)	Long-term incentive plans (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Paul Bozoki ⁽²⁾ CFO	2020	108,000	Nil	88,826	100,000	Nil	Nil	Nil	296,826
	2019	108,000	Nil	18,044	Nil	Nil	Nil	Nil	126,044
	2018	108,000	35,250	Nil	Nil	Nil	Nil	Nil	143,250
Samuel Rasmussen ⁽³⁾ COO	2020	465,777	Nil	247,035	Nil	Nil	Nil	Nil	712,812
	2019	--	--	--	--	--	--	--	--
	2018	--	--	--	--	--	--	--	--
Randall K. Ruff ⁽³⁾ Executive Vice President - Exploration	2020	232,600	Nil	Nil	Nil	Nil	Nil	Nil	232,600
	2019	231,975	Nil	Nil	Nil	Nil	Nil	Nil	231,975
	2018	227,961	Nil	Nil	Nil	Nil	Nil	Nil	227,961
Bradley Humphrey Vice President Corporate Development	2020	180,000	6,000	53,295	Nil	Nil	Nil	Nil	239,295
	2019	180,000	50,250	Nil	Nil	Nil	Nil	Nil	230,250
	2018	180,000	117,500	Nil	Nil	Nil	Nil	Nil	297,500

Notes:

- (1) Mr. Moore became the Corporation's CEO as of May 19, 2016. See also "Termination of Employment, Change in Responsibilities and Employment Contracts".
- (2) Mr. Bozoki became the Corporation's CFO as of June 1, 2016. See also "Termination of Employment, Change in Responsibilities and Employment Contracts".
- (3) Mr. Rasmussen became the Corporation's Chief Operating Officer ("COO") as of January 6, 2020. See also "Termination of Employment, Change in Responsibilities and Employment Contracts".
- (4) Mr. Ruff was appointed COO on May 24, 2004. Effective February 1, 2008 Mr. Ruff was appointed Executive Vice President, Exploration. Mr. Ruff's employment agreement also provides for expatriate features. See also "Termination of Employment, Change in Responsibilities and Employment Contracts".
- (5) The value ascribed to Option grants represents non-cash consideration and has been estimated using the Black-Sholes Model as at the date of grant under the following weighted average assumptions: expected dividend yield – 0%, expected volatility – 79% , risk-free interest rate -- 1.5%; and an expected life - 5 years.
- (6) The value ascribed to the vested share based awards has been calculated using the number of DSUs multiplied by \$0.35 being the closing price of the Common Shares on December 31, 2020 which was the last trading date of the financial year.
- (7) Represents bonus amounts, payable in cash.

Incentive Plan Awards

Other than the Stock Option Plan and the Share Incentive Plan put to shareholders for approval at the Meeting, the Corporation has no other forms of long-term incentive plans.

The following table outlines the Burn Rate (as defined below) for the Stock Option Plan for the past three fiscal years.

	2020	2019	2018
Burn Rate ⁽¹⁾	4.1%	6.8%	Nil

Note:

- (1) The Burn Rate is calculated using the TSX prescribed methodology, which is the total number of Options granted under the arrangement during the applicable fiscal year, divided by the weighted average number of Common Shares outstanding for the fiscal year ("Burn Rate").

Outstanding Option-Based Awards and Share-Based Awards

The following table provides information regarding the Option-based and share-based incentive plan awards for each Named Executive Officer outstanding as at December 31, 2020:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽¹⁾	Number of shares or units of shares that have not yet vested (#)	Market or payout value of share-based awards that have not yet vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
G. Scott Moore	708,753 400,000 3,000,000	1.36 0.28 0.39	June 13, 2021 Oct 15, 2024 June 30, 2024	28,000	Nil	Nil	332,500
Paul Bozoki	177,188 65,000 100,000 500,000	1.36 0.73 0.28 0.39	June 13, 2021 Apr 5, 2024 Oct 15, 2024 June 30, 2025	7,000	Nil	Nil	26,250
Samuel Rasmussen	1,000,000 300,000	0.30 0.39	Jan 6, 2025 June 30, 2025	50,000	Nil	Nil	Nil
Randall K. Ruff	Nil	Nil	Nil	Nil	Nil	Nil	8,230
Bradley Humphrey	275,265 300,000	1.36 0.39	June 13, 2021 June 30, 2025	Nil	Nil	Nil	26,250

Notes:

- (1) Value of in-the-money Options at December 31, 2020, if any, is the difference between the exercise price of the Options and \$0.35, being the closing price of Common Shares on December 31, 2020 which was the last trading day of the financial year.
- (2) In the form of DSUs outstanding, the value of which has been calculated on the grant date. Payment on the DSUs is deferred until the time the individual ceases to be eligible to participate in the Share Incentive Plan, usually at the time of departure from the Corporation. See also "Long-Term Incentives" for details of the Share Incentive Plan.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value of incentive plan awards granted to the Named Executive Officers that have vested or were earned during the financial year ended December 31, 2020:

Name	Value of Option-based awards vested during 2020⁽¹⁾ (\$)	Value of share-based awards vested during 2020 (\$)	Value of non-equity incentive plan compensation earned during 2020
G.Scott Moore	532,953	92,000	Nil
Paul Bozoki	88,826	Nil	Nil
Samuel Rasmussen	247,035	Nil	Nil
Randall K. Ruff	Nil	Nil	Nil
Bradley Humphrey	53,295	6,000	Nil

Notes:

- (1) The value ascribed to Option grants represents non-cash consideration and has been estimated using the Black-Sholes Model as at the date of grant.

Pension Plan Benefits

The Corporation has no pension plan in place.

Termination of Employment, Change in Responsibilities and Consulting Contracts

G. Scott Moore

G. Scott Moore entered into an amended and restated consulting agreement with the Corporation as of May 12, 2021 (the “**Moore Agreement**”) for the services of Mr. Moore as CEO of the Corporation. For the 2021 calendar year Mr. Moore will receive a base annual fee of C\$500,000, plus applicable goods and services tax. Mr. Moore’s base fee is reviewed on an annual basis, and he may be entitled to bonuses, Options and benefits and the discretion of the Board.

The Moore Agreement provides for a severance payment equal to 24 months of base fees plus the average of any cash bonus paid over the prior two calendar years to be paid within 30 days of termination in the event the Corporation terminates the Moore Agreement without cause. The Moore Agreement may be terminated at any time by the Corporation for just cause without notice or payment in lieu thereof and without payment of any fees. Just cause is defined to include, but is not limited to: dishonesty or fraud; theft; breach of fiduciary duties; being guilty of bribery or attempted bribery; or gross mismanagement.

In the event that there is a change in control of the Corporation, either Mr. Moore or the Corporation shall have one year from the date of such change in control to elect to have Mr. Moore’s appointment terminated. In the event that such an election is made, the Corporation shall, within 30 days of such election, make a lump sum termination payment to Mr. Moore that

is equivalent to 36 months of base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Moore in the 36 months' prior to the change in control. Therefore, assuming a change of control occurred as at the year ended December 31, 2020, Mr. Moore would be entitled to \$1,750,000 upon a change of control. Following a change in control, all Options granted to Mr. Moore shall be dealt with in accordance with the terms of the Stock Option Plan; however all Options granted to Mr. Moore, but not yet vested, shall vest immediately. Similarly, following a change in control, all Common Shares issuable to Mr. Moore under any share compensation plan, but not yet issued, shall be issued immediately.

Paul Bozoki

Pannonia Capital Inc. entered into a consulting agreement with the Corporation as of June 1, 2016 (the "**Bozoki Agreement**") for the services of Mr. Bozoki as CFO of the Corporation. Pursuant to the Bozoki Agreement, Mr. Bozoki receives a base fee of \$9,000 per month, plus applicable goods and services tax. Mr. Bozoki's base fee is reviewed on an annual basis, and he may be entitled to bonuses, Options and benefits and the discretion of the Board.

The Bozoki Agreement provides for a severance payment equal to 24 months of base fees to be paid within 30 days of termination in the event the Corporation terminates the Bozoki Agreement without cause. The Bozoki Agreement may be terminated at any time by the Corporation for just cause without notice or payment in lieu thereof and without payment of any fees. Just cause is defined to include, but is not limited to: dishonesty or fraud; theft; breach of fiduciary duties; being guilty of bribery or attempted bribery; or gross mismanagement.

In the event that there is a change in control of the Corporation, either Mr. Bozoki or the Corporation shall have one year from the date of such change in control to elect to have Mr. Bozoki's appointment terminated. In the event that such an election is made, the Corporation shall, within 30 days of such election, make a lump sum termination payment to Mr. Bozoki that is equivalent to 36 months of base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Bozoki in the 36 months' prior to the change in control. Therefore, assuming a change of control occurred as at the year ended December 31, 2020, Mr. Bozoki would be entitled to \$424,000 upon a change of control. Following a change in control, all Options granted to Mr. Bozoki shall be dealt with in accordance with the terms of the Stock Option Plan; however all Options granted to Mr. Bozoki, but not yet vested, shall vest immediately. Similarly, following a change in control, all Common Shares issuable to Mr. Bozoki under any share compensation plan, but not yet issued, shall be issued immediately.

Samuel Rasmussen

Samuel Rasmussen entered into a consulting agreement with the Corporation as of January 6, 2020 (the "**Rasmussen Agreement**") for the services of Mr. Rasmussen as COO of the Corporation. For the 2021 calendar year, Mr. Rasmussen will receive a base annual fee of C\$460,000, plus applicable goods and services tax. Mr. Rasmussen's base fee is reviewed on an annual basis, and he may be entitled to bonuses, Options and benefits and the discretion of the Board.

The Rasmussen Agreement provides for a severance payment equal to 24 months of base fees to be paid within 30 days of termination in the event the Corporation terminates the Rasmussen Agreement without cause. The Rasmussen Agreement may be terminated at any time by the Corporation for just cause without notice or payment in lieu thereof and without payment of any fees. Just cause is defined to include, but is not limited to: dishonesty or fraud; theft; breach of fiduciary duties; being guilty of bribery or attempted bribery; or gross mismanagement.

In the event that there is a change in control of the Corporation, either Mr. Rasmussen or the Corporation shall have one year from the date of such change in control to elect to have Mr. Rasmussen's appointment terminated. In the event that such an election is made, the Corporation shall, within 30 days of such election, make a lump sum termination payment to Mr. Rasmussen that is equivalent to 36 months of base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Rasmussen in the 36 months' prior to the change in control. Therefore, assuming a change of control occurred as at the year ended December 31, 2020, Mr. Rasmussen would be entitled to US\$720,000 upon a change of control. Following a change in control, all Options granted to Mr. Rasmussen shall be dealt with in accordance with the terms of the Stock Option Plan; however all Options granted to Mr. Rasmussen, but not yet vested, shall vest immediately. Similarly, following a change in control, all Common Shares issuable to Mr. Rasmussen under any share compensation plan, but not yet issued, shall be issued immediately.

Randall K. Ruff

An employment agreement dated September 1, 2009, between Mr. Randall Ruff, currently the Executive Vice President, Exploration, and the Corporation (the "**Ruff Agreement**") is for renewable terms of three years each beginning as of September 1, 2009 and provides for, among other things, an annual base salary of US\$175,000, plus expatriate features, including housing, while Mr. Ruff is based in Romania. Mr. Ruff's base salary is reviewed on an annual basis and he may be entitled to bonuses, Options and benefits at the discretion of the Board. Mr. Ruff may terminate his employment at any time upon written notice to the Corporation.

Regarding matters of termination, the Ruff Agreement specifies that in the event where (i) the Corporation terminates his employment without cause; or (ii) he resigns for "good reason" as such term is defined in their employment agreements; or (iii) he resigns following a change in control (as defined below), he will be entitled to receive in a lump sum payment an amount equal to two times his annual base salary which shall be paid in a lump sum within ten days after such termination, and an amount equal to two times the highest bonus or similar compensation paid to him in any of the three years preceding the termination or resignation. Accordingly, in the event of any of the foregoing and based on his salary at December 31, 2020, Mr. Ruff would be entitled to a lump sum payment of US\$350,000. In addition, benefits, if any, to which he may be entitled, will be maintained for a minimum of one year from the date of termination. Finally, all Options, whether vested or not shall become immediately exercisable for a period of 90 days thereafter after which time they will expire. In the event of termination for cause, compensation payable to any him will vary in accordance with the seriousness of the cause and can represent up to one year's annual base salary and bonus.

Bradley Humphrey

JB Mining Corporation entered into a consulting agreement with the Corporation as of September 1, 2016 (the "**Humphrey Agreement**") for the services of Mr. Humphrey as Vice-President, Corporate Development of the Corporation. Pursuant to the Humphrey Agreement, Mr. Humphrey receives a base fee of \$15,000 per month, plus applicable goods and services tax. Mr. Humphrey's base fee is reviewed on an annual basis, and he may be entitled to bonuses, Options and benefits and the discretion of the Board.

The Humphrey Agreement provides for a severance payment equal to 12 months of base fees to be paid within 30 days of termination in the event the Corporation terminates the Humphrey Agreement without cause. The Humphrey Agreement may be terminated at any time by the Corporation for just cause without notice or payment in lieu thereof and without payment of any

fees. Just cause is defined to include, but is not limited to: dishonesty or fraud; theft; breach of fiduciary duties; being guilty of bribery or attempted bribery; or gross mismanagement.

In the event that there is a change in control of the Corporation, either Mr. Humphrey or the Corporation shall have one year from the date of such change in control to elect to have Mr. Humphrey's appointment terminated. In the event that such an election is made, the Corporation shall, within 30 days of such election, make a lump sum termination payment to Mr. Humphrey that is equivalent to 36 months of base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Humphrey in the 36 months' prior to the change in control. Therefore, assuming a change of control occurred as at the year ended December 31, 2020, Mr. Humphrey would be entitled to \$560,000 upon a change of control. Following a change in control, all Options granted to Mr. Humphrey shall be dealt with in accordance with the terms of the Stock Option Plan; however all Options granted to Mr. Humphrey, but not yet vested, shall vest immediately. Similarly, following a change in control, all Common Shares issuable to Mr. Humphrey under any share compensation plan, but not yet issued, shall be issued immediately.

Definition of Change of Control

For the Moore Agreement, Bozoki Agreement, the Rasmussen Agreement and the Humphrey Agreement, "change of control" is defined as any one or more of the following events:

- (1) the acquisition, directly or indirectly, by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the Canada Business Corporations Act) or group of persons acting jointly or in concert, as such terms are defined in the Securities Act, Ontario of: (A) shares or rights or options to acquire shares of the Corporation or securities which are convertible into shares of the Corporation or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 25% or more of the votes entitled to be cast at a meeting of the shareholders of the Corporation; (B) shares or rights or options to acquire shares, or their equivalent, of any material subsidiary of the Corporation or securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 25% or more of the votes entitled to be cast a meeting of the shareholders of the material subsidiary; or (C) more than 25% of the material assets of the Corporation, including the acquisition of more than 25% of the material assets of any material subsidiary of the Corporation; or
- (2) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent management information circular of the Corporation for election to the Corporation's board of directors do not constitute a majority of the Corporation's board of directors.

For the Ruff Agreement, "change in control" is defined as any event whereby as a result thereof, an offeror (as the term "**offeror**" is defined in Section 89(1) of the *Securities Act* (Ontario) for the purposes of Section 101 of the *Securities Act* (Ontario), or any successor provision to either of the foregoing), other than the Corporation, a subsidiary or any employee benefit plan of either

the Corporation or a subsidiary, has acquired beneficial ownership (within the meaning of the *Securities Act* (Ontario)) of, or the power to exercise control or direction over, or securities convertible into, any voting or equity shares of the Corporation, that together with such offeror's securities (as the term "**offeror's securities**" is defined in Section 89(1) of the *Securities Act* (Ontario) or any successor provision thereto in relation to the voting or equity shares of the Corporation) would constitute voting shares of the Corporation representing more than 25% of the total voting power attached to all voting shares of the Corporation then outstanding or;

- (a) there is consummated any amalgamation, consolidation, statutory arrangement (involving a business combination) or merger of the Corporation,
 - (i) in which the Corporation is not the continuing or surviving corporation; or
 - (ii) pursuant to which any voting shares of the Corporation would be reclassified, changed or converted into or exchanged for cash, securities or other property, other than (in each case) an amalgamation, consolidation, statutory arrangement or merger of the Corporation in which either:
 - (A) the holders of the voting shares of the Corporation immediately prior to the amalgamation, consolidation, statutory arrangement or merger have, directly or indirectly, more than 25% of the Common Shares of the continuing or surviving corporation immediately after such transaction, or
 - (B) such amalgamation, consolidation, statutory arrangement or merger, a majority of the directors on the board of directors of the continuing or surviving corporation are persons who were directors on the board of directors of the Corporation immediately before the signing of the agreement governing such amalgamation, consolidation, statutory arrangement or merger (the "**Continuing Directors**"), and no agreement is in place providing for the removal, resignation or other replacement of such Continuing Directors, and
- (b) immediately after such amalgamation, consolidation, statutory arrangement or merger, no person or group holds, directly or indirectly, more than 25% of the Common Shares of the continuing or surviving corporation.

The Ruff Agreement also provide that, in the event of a change in control the executive automatically has the option of resigning his position, which option shall be exercised within 120 days from the effective date of the change of control, in which event said executive will be entitled to receive the severances outlined above. In the event where said option is not exercised, the provisions of his employment agreement will remain applicable thereafter.

Summary of Termination Payments

Name and Position	Termination Without Cause (\$) ⁽¹⁾	Termination With Cause (\$) ⁽¹⁾	Change of Control (\$) ⁽¹⁾
G.Scott Moore	\$1,125,000	-	\$1,750,000
Paul Bozoki	\$216,000	-	\$424,000
Samuel Rasmussen	\$920,000	-	US\$720,000
Randall K. Ruff	US\$350,000	-	US\$350,000
Bradley Humphrey	\$180,000	-	\$560,000

Director CompensationDirector Compensation Table

The following table provides information regarding compensation earned by the Corporation's directors (other than the Named Executive Officers who are not compensated in their capacity as a director) during the financial year ended December 31, 2020:

Name	Fees Earned (\$)	Share-based awards (\$)	Option-based awards ⁽⁵⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Eva Bellissimo	80,000	Nil	Nil	Nil	N/A	Nil	80,000
Daniel Callow	59,635	Nil	Nil	Nil	N/A	Nil	59,635
David C. Danziger	80,000	Nil	Nil	Nil	N/A	Nil	80,000
Bruce Humphrey	70,000	Nil	Nil	Nil	N/A	Nil	70,000
Paul J. Perrow ⁽⁴⁾	35,000	Nil	53,295	Nil	N/A	Nil	88,295
Peter Vukanovich ⁽³⁾	35,000	Nil	53,295	Nil	N/A	Nil	88,295

Stan Bharti ⁽¹⁾	Nil	Nil	Nil	Nil	N/A	900,000 ⁽⁶⁾	900,000
Michael Barton ⁽²⁾	Nil	Nil	Nil	Nil	N/A	Nil	Nil

Notes:

- (1) Mr. Bharti resigned as a director on January 31, 2020.
- (2) Mr. Barton resigned as a director on March 26, 2020.
- (3) Mr. Vukanovich was appointed as a director on June 30, 2020.
- (4) Mr. Perrow was appointed as a director on June 30, 2020.
- (5) The value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Sholes Model as at the date of grant.
- (6) For a portion of 2020, the Corporation was a party to an agreement with Forbes & Manhattan Inc. ("**Forbes**"), of which Mr. Bharti is the Executive Chairman, pursuant to which Forbes provided certain consulting services to the Corporation. . This agreement and the Corporation's relationship with Forbes was terminated effective June 8, 2020. \$720,000 of this amount represents the termination payment that was payable under this agreement. The remaining \$180,000 represents the fees paid under the agreement, being \$30,000 per month from January 2020 to June 2020.

During the financial year ended December 31, 2020, directors were paid the fees and granted options in their capacity as directors, committee members, committee chairs, as the case may be, as set out in the table above. The Corporation engaged the Compensation Consultant to help establish director and officer compensation levels that are competitive in the market and in line with best practice. Based on the results of the Compensation Consultant's analysis, the Human Resources and Compensation Committee determined that it was appropriate to implement a share incentive plan that not only included options but also included PSUs, DSUs and RSUs. In addition, the Compensation Consultant provided the Human Resources and Compensation Committee with advice on director compensation and best practices with respect to the appropriate mix of cash and share based compensation for directors in the current market. Following receipt of such information from the Compensation Consultant, the Human Resources and Compensation Committee established director compensation for 2021 which will be comprised of a mix of cash and share based compensation.

Outstanding Incentive Plan Awards for Directors

The following table provides information regarding the option-based and share-based incentive plan awards for each director (who is not also a Named Executive Officer) outstanding as of December 31, 2020:

Name	Option-Based Rewards				Share-Based Awards		
	Number of Securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽²⁾	Number of shares or units of shares that have not yet vested (#)	Market or payout value of share-based awards that have not yet vested	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾
Eva Bellissimo	200,000	0.73	Apr 5, 2024	2,500	Nil	Nil	Nil
	100,000	0.28	Oct 15, 2024				
Daniel Callow	300,000	0.28	Oct 15, 2024	21,000	Nil	Nil	Nil

Name	Option-Based Rewards				Share-Based Awards		
	Number of Securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽²⁾	Number of shares or units of shares that have not yet vested (#)	Market or payout value of share-based awards that have not yet vested	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾
David C. Danziger	354,376 50,000 100,000	1.36 0.73 0.28	June 13, 2021 Apr 5, 2024 Oct 15, 2024	2,500	28,333	7,367	15,533
Bruce Humphrey	300,000	0.325	Nov 7, 2024	7,500	Nil	Nil	Nil
Paul J. Perrow ⁽⁶⁾	300,000	0.39	June 30, 2025	Nil	Nil	Nil	Nil
Peter Vukanovich ⁽⁷⁾	300,000	0.39	June 30, 2025	Nil	Nil	Nil	Nil
Stan Bharti ⁽⁴⁾	708,753 400,000	1.36 0.28	Jun 4, 2021 Jun 4, 2021	28,000	Nil	Nil	Nil
Michael Barton ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Represents the total number of Options granted.
- (2) Value of in-the-money Options at December 31, 2020, if any, is the difference between the exercise price of the Options and \$0.35, being the closing price of Common Shares on December 31, 2020 which was the last trading day of the financial year.
- (3) In the form of DSUs outstanding, the market value of which has been calculated on the grant date. Payment on the DSUs is deferred until the time the individual ceases to be eligible to participate in the Share Incentive Plan, usually at the time of departure from the Corporation. See "Long-Term Incentives" for details of the Share Incentive Plan.
- (4) Mr. Bharti resigned as a director on January 31, 2020
- (5) Mr. Barton resigned as a director on March 26, 2020.
- (6) Mr. Perrow was appointed as a director on June 30, 2020.
- (7) Mr. Vukanovich was appointed as a director on June 30, 2020.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value of incentive awards granted to the Corporation's directors (who are not also a Named Executive Officer) that have vested or were earned during the financial year ended December 31, 2020:

Name	Value of option-based awards vested during 2020 ⁽⁵⁾ (\$)	Value of share-based awards vested during 2020 (\$)	Value of non-equity incentive plan compensation earned during 2020 (\$)
Eva Bellissimo	Nil	Nil	Nil
Daniel Callow	Nil	Nil	Nil
David C. Danziger	Nil	Nil	Nil

Name	Value of option-based awards vested during 2020 ⁽⁵⁾ (\$)	Value of share-based awards vested during 2020 (\$)	Value of non-equity incentive plan compensation earned during 2020 (\$)
Bruce Humphrey	Nil	Nil	Nil
Paul J. Perrow ⁽⁴⁾	53,295	Nil	Nil
Peter Vukanovich ⁽³⁾	53,295	Nil	Nil
Michael Barton ⁽²⁾	Nil	Nil	Nil
Stan Bharti ⁽¹⁾	Nil	92,500	Nil

Notes:

- (1) Mr. Bharti resigned as a director on January 31, 2020.
- (2) Mr. Barton resigned as a director on March 26, 2020.
- (3) Mr. Vukanovich was appointed as a director on June 30, 2020.
- (4) Mr. Perrow was appointed as a director on June 30, 2020.
- (5) The value ascribed to Option grants represents non-cash consideration and has been estimated using the Black-Sholes Model as at the date of grant.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Corporation established a Stock Option Plan in 2007 to grant non-transferable Options to purchase Common Shares to directors, officers, employees of and consultants to the Corporation. Under the Stock Option Plan up to 10% of the Common Shares issued and outstanding from time to time (including shares issued under any other security based compensation arrangement of the Corporation) may be issued pursuant to Options under the Option Plan, being 16,975,051 Common Shares, as of December 31, 2020. The stock option plan was last approved at the annual general and special shareholders meeting held in 2017 and no Options are being issued under the stock option plan. As at December 31, 2020 there were 12,627,425 Options outstanding (being 7.44% of the issued and outstanding Common Shares). As of July 2020, no Options remain eligible for issuance under the Stock Option Plan.

At the Meeting the Corporation is seeking approval for its Share Incentive Plan. Awards granted under the Share Incentive Plan may consist of Options, RSUs, DSUs and PSUs.

The following table sets out information with respect to compensation plans under which equity securities of the Corporation are authorized for issuance as at December 31, 2020:

Plan Category	Securities to be issued upon Exercise of Outstanding Options and Rights (#)	Weighted-average Exercise Price of Outstanding Options and Rights (\$/Security)	Securities remaining available for future issuance under Equity Compensation Plans (#)
Plans approved by security holders	12,627,425	0.55	4,347,626
Plans not approved by security holders ⁽¹⁾	nil	--	Nil

Plan Category	Securities to be issued upon Exercise of Outstanding Options and Rights (#)	Weighted-average Exercise Price of Outstanding Options and Rights (\$/Security)	Securities remaining available for future issuance under Equity Compensation Plans (#)
Total	12,627,725	0.55	4,347,626

(1) The Corporation is seeking approval for its Share Incentive Plan at the Meeting.

AUDIT COMMITTEE

For information regarding the Audit Committee, in compliance with the disclosure requirements of National Instrument 52-110 – *Audit Committees*, refer to the section entitled “Audit Committee” in the Corporation’s Amended and Restated Annual Information Form dated as of April 14, 2021, which is available on SEDAR at www.sedar.com

CORPORATE GOVERNANCE DISCLOSURE

The Corporate Governance Disclosure policy of the Corporation is attached to this Circular as Appendix “B”.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or officer of the Corporation or associate of any director or officer of the Corporation is, or at any time since the beginning of the most recently completed financial year of the Corporation, has been indebted to the Corporation or any of its subsidiaries.

DIRECTORS’ AND OFFICERS’ LIABILITY INSURANCE

Effective April 29, 2020, the Corporation has renewed its directors’ and officers’ liability insurance in the aggregate amount of \$5,000,000 for a term of one year. The premium for this insurance policy for the period of April 29, 2020 to April 29, 2021 is \$13,610 plus applicable taxes.

In addition, the Corporation maintains “run-off” directors’ and officers’ liability insurance in the aggregate amount of \$15,000,000 to cover any matters that may be alleged to have occurred prior to April 29, 2016. The premiums for these “run-off” insurance policies for the period July 15, 2015 to April 29, 2022 total \$282,685 plus applicable taxes.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation, as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators, or any associate or affiliate of any informed person, has any material interest in any transaction completed since the commencement of the Corporation’s last financial year or in any proposed transaction which has materially affected or will materially affect the Corporation or its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by

way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

SHAREHOLDERS' PROPOSALS

The Corporation will review shareholder proposals intended to be included in proxy material for the next annual meeting of shareholders, expected to be held in May or June 2022, that are received by the Corporation no later than January 1, 2022.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com under the Corporation's issuer profile. Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis, which are available on SEDAR at www.sedar.com under the Corporation's issuer profile or from the Corporation by telephone at 416-843-2099 or by e-mail at info@eurosunmining.com. This information is also available on the Corporation's web site at www.eurosunmining.com.

OTHER MATTERS

The Board is not aware of any other matters to come before the Meeting other than the matters referred to in this Circular.

DIRECTORS' APPROVAL

The contents and the sending of this Circular to the shareholders of the Corporation have been approved by the Board.

DATED at Toronto, Ontario, this 13th day of May, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"Peter Vukanovich" (signed)

Peter Vukanovich
Chairman of the Board

APPENDIX "A"

SHARE INCENTIVE PLAN

1. Purpose; Interpretation.

(a) Purpose. The purposes of the Euro Sun Mining Inc. Share Incentive Plan are to enable Euro Sun Mining Inc.(the "**Corporation**") and its Affiliates to recruit and retain highly qualified directors, officers and employees; to provide those persons with an incentive for productivity and an opportunity to share in the growth and value of the Corporation; and align the interests of Participants with those of the shareholders of the Corporation.

(b) Definitions. In this Plan, unless something in the subject matter or context is inconsistent therewith:

"**Affiliate**" means any person that is a subsidiary of the Corporation, or directly or indirectly controls, or is controlled by, or is under common control with, the Corporation (or their successors).

"**associate**" has the meaning ascribed thereto in the Securities Act.

"**Award**" means a grant of Options, DSUs, RSUs or PSUs pursuant to the provisions of this Plan.

"**Award Agreement**" means, with respect to any particular Award, the written document that sets forth the terms and conditions of that particular Award granted under this Plan.

"**Blackout Period**" means any period during which a policy of the Corporation prevents an Insider of the Corporation from trading in the Shares.

"**Board**" means the board of directors of the Corporation, as constituted from time to time; *provided, however*, that if the board of directors appoints a Committee to perform some or all of the Board's administrative functions hereunder pursuant to Section 2, references in this Plan to the "Board" will be deemed to also refer to that Committee in connection with matters to be performed by that Committee.

"**Broker**" has the meaning set out in Section 11(d).

"**Business Day**" means being a day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario.

"**Cause**" will mean such Participant's:

- (i) misappropriation or theft of the Corporation's or any of its subsidiaries' funds or property;
- (ii) indictment for, conviction of or entering of a plea of *nolo contendere* of any fraud, misappropriation, embezzlement or similar act, or other crime involving dishonesty, disloyalty or moral turpitude;

- (iii) commission of any act or omission involving dishonesty or fraud with respect to the Corporation or any of its subsidiaries or any of their customers, suppliers or other business relations;
- (iv) the willful and continued failure or refusal to substantially perform the duties reasonably required of the Participant as an employee of the Corporation or any subsidiary to whom such Participant reports, directly or indirectly;
- (v) failure to observe all material and lawful policies of the Corporation or any of its subsidiaries applicable to such Participant;
- (vi) material breach of contractual obligations (including, without limitation, non-competition, non-solicitation, non-disclosure or similar obligations) owed to the Corporation or any subsidiary thereof or failure to perform any of the Participant's material duties owed to the Corporation or any subsidiary;
- (vii) any act or omission by such Participant that aids or abets, or is intended to aid or abet, any person to the disadvantage or detriment of the Corporation and/or its subsidiaries;
- (viii) subject to compliance with applicable human rights legislation, continued or repeated absence by such Participant from the workplace (to the extent such continued or repeated absences continue to occur after written notice thereof), unless such absence is in compliance with Corporation policy or approved or excused by the Board or the applicable board of directors of a subsidiary of the Corporation in advance of such absence;
- (ix) engaging in any willful misconduct which is or could reasonably be expected to be materially injurious to the financial condition or business reputation of the Corporation or its subsidiaries;
- (x) commission of any act involving willful malfeasance or gross negligence or the Participant's failure to act involving material nonfeasance;
- (xi) Misconduct;
- (xii) any other material breach by such Participant of any agreement by and between such Participant and the Corporation or any of its subsidiaries or any policies of the Corporation and its Affiliates, including, without limitation, those relating to unlawful discrimination, harassment or retaliation, and/or those set forth in the employee manuals or statements of policy of the Corporation or any of its subsidiaries; or
- (xiii) any other conduct or misconduct that constitutes just cause pursuant to applicable laws;
- (xiv) provided, however, that, in the case of the above sub-clauses (v), (vi) and (x), termination of employment by the Corporation or the Corporation's Affiliate, if applicable, will not be for "Cause" unless (A) such breach is not capable of being cured, or (B) such Participant has first been given

written notice of such breach by the Corporation or its Affiliate, as applicable, and, if such breach is capable of being cured, such breach remains uncured for a period of five business days after such notice to the Participant or, if cured, recurs within 180 days.

“Change in Control” means, at any time the occurrence of any of the following, in one transaction or a series of related transactions:

- (i) the acquisition by any person or persons acting jointly or in concert (as determined by the Securities Act), whether directly or indirectly, of beneficial ownership of voting securities of the Corporation that, together with all other voting securities of the Corporation held by such persons, constitute in the aggregate more than 50% of all of the then outstanding voting securities of the Corporation.
- (ii) an amalgamation, arrangement, consolidation, share exchange, take-over bid or other form of business combination of the Corporation with another person that results in the holders of voting securities of that other person holding, in the aggregate, more than 50% of all outstanding voting securities of the person resulting from the business combination;
- (iii) the sale, lease, exchange or other disposition of all or substantially all of the property of the Corporation or any of its Affiliates to another person, other than (A) in the ordinary course of business of the Corporation or of an Affiliate of the Corporation or (B) to the Corporation or any one or more of its Affiliates;
- (iv) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (v) as a result of, or in connection, with: (A) a contested election of directors of the Corporation, or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another person, where the nominees named in the most recent management proxy circular of the Corporation for election to the Board will not constitute a majority of the Board; or
- (vi) any other transaction that is deemed to be a “Change in Control” for the purposes of this Plan by the Board in its sole and absolute discretion.

Notwithstanding the foregoing, a transaction or a series of related transactions will not constitute a Change in Control if such transaction(s) result(s) in the Corporation, any successor to the Corporation, or any successor to the Corporation’s business, being controlled, directly or indirectly, by the same person or persons who controlled the Corporation, directly or indirectly, immediately before such transaction(s).

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Committee” means a committee appointed by the Board in accordance with Section 2.

“Director” means a member of the Board or of the board of directors of any Affiliates of the Corporation.

“DSU” means a deferred share unit granted under, and subject to restrictions imposed pursuant to, Section 6 hereof.

“Eligible Contractor” means (A) persons who are not employees, officers or directors of the Corporation that (i) are engaged to provide on a bona fide basis consulting, technical, management or other services to the Corporation or any Affiliates under a written contract with the Corporation or the Affiliate and (ii) in the reasonable opinion of the Board, spend or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate; and (B) directors of the Corporation that (i) are engaged, beyond the scope of their regular duties as a director, to provide on a bona fide basis consulting, technical, management or other services to the Corporation or any Affiliates under a written contract with the Corporation or the Affiliate and (ii) in the reasonable opinion of the Board, spend or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate in connection with such engagement.

“Exercise Notice” has the meaning set out in Section 5(a)(iv).

“Exercise Price” has the meaning set out in Section 5(a)(i).

“Fair Market Value” means, as of any date: (i) if the Shares are not then publicly traded, the value of such Shares on that date, as determined by the Board in good faith and in its sole and absolute discretion; or (ii) if the Shares are publicly traded, the closing price of the Shares on the trading day immediately preceding such date on the TSX or the principal securities exchange on which the majority of the trading in the Shares occurs, or, if the Shares are not listed or admitted to trading on the TSX or any other securities exchange, but are traded in the over-the-counter market, the closing sale price of a Share on that date or, if no sale is publicly reported, the average of the closing bid and asked prices on that date, as furnished by two registered Canadian investment dealers.

“Governmental Authorities” means any domestic or foreign legislative, executive, judicial or administrative body or person having purporting to have jurisdiction in the relevant circumstances.

“Independent Director” means a Director that is “independent” within the meaning of “independence” set forth in National Instrument 52-110.

“Insider” means a “reporting insider” as that term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*.

“Legacy Option Plan” means the amended and restated stock option plan of the Corporation dated March 21, 2007, as amended on May 8, 2017.

“Misconduct” means gross negligence, intentional misconduct, fraud or other misconduct or wilful act engaged in by the Participant which resulted in a financial restatement by the Corporation.

“**Option**” means an option to purchase Shares granted under, and subject to restrictions imposed pursuant to, Section 5.

“**Participant**” means an employee, officer, Eligible Contractor or Director of the Corporation or of any of its Affiliates to whom an Award is granted.

“**Payout Factor**” means, for any PSU, the percentage, ranging from 0% to 200% (or within such other range as the Board may determine from time to time), quantifying the performance achievement realized on a distribution date determined in accordance with the performance conditions or measures and other terms outlined in the PSU grant letter evidencing such PSU.

“**Plan**” means this share incentive plan, as amended from time to time.

“**PSU**” means a performance share unit granted under, and subject to restrictions imposed pursuant to, Section 8.

“**Retirement**” means, in respect of a Participant who is an employee, the cessation of the office or employment of the Participant, and in respect of a Participant who is a Director, the cessation of being a Director and not otherwise being an employee (whether as a result of the resignation, not standing for re-election to the relevant board or not being elected or re-elected as a member of the relevant board by the shareholders at a meeting), in each case other than a termination for cause.

“**RSU**” means a restricted share unit granted under, and subject to restrictions imposed pursuant to, Section 7.

“**Securities Act**” means the *Securities Act* (Ontario).

“**Shares**” mean the common shares of the Corporation, and any shares of the Corporation that a Participant may become entitled to acquire pursuant to Section 3(c).

“**subsidiary**” means with respect to any person, an entity which is controlled by such person; when used without reference to a particular person, “subsidiary” means a subsidiary of the Corporation.

“**total disability**” means disability as determined by the Corporation’s policies and the Corporation’s insurer, if applicable.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**TSX**” means the Toronto Stock Exchange.

“**Withholding Obligations**” has the meaning set out in Section 11(d)(i).

(c)

Control.

(i) For the purposes of this Plan,

(A) a person controls a body corporate if securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect

directors of the body corporate are beneficially owned by the person and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate;

- (B) a person controls an unincorporated entity, other than a limited partnership, if more than 50% of the ownership interest, however designated, into which the entity is divided are beneficially owned by that person and the person is able to direct the business and affairs of the entity;
- (C) the general partner of a limited partnership controls the limited partnership.
- (ii) A person who controls an entity is deemed to control any entity that is controlled or deemed to be controlled, by the entity.
- (iii) A person is deemed to control, within the meaning of Section 1(c)(i)(A) or 1(c)(i)(B), an entity if the aggregate of
 - (A) any securities of the entity that are beneficially owned by that person, and
 - (B) any securities of the entity that are beneficially owned by an entity controlled by that person

is such that, if that person and all of the entities referred to in Section 1(c)(iii)(B) that beneficially own securities of the entity were one person, that person would control the entity.

- (d) Term of Award. In the event the term of an award is set to expire within a Blackout Period, the term of such Award will expire 10 Business Days after the date on which the Blackout Period has ended.
- (e) Termination. With respect to this Plan only, and for greater certainty, the date of termination will be the Participant's last day of active employment with, or service to, the Corporation or any of its Affiliates, regardless of 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, and does not include any period of statutory, contractual, common law or other reasonable notice of termination of employment or any period of salary continuance or deemed employment.
- (f) Headings. The discussion of this Plan into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan. Unless something in the subject matter or context is inconsistent therewith, references in this Plan to Sections are to Sections of this Plan.
- (g) Extended Meanings. In this Plan words importing the singular number only include the plural and vice versa; words importing any gender include all genders; and words importing persons include individuals, corporations, limited and unlimited liability corporations, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and

Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing”.

- (h) Statutory References. In this Plan, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

2. Administration.

- (a) Administration. This Plan will be administered by the Board; provided, however, that the Board may at any time appoint a Committee, including the Human Resources and Compensation Committee of the Board, to perform some or all of the Board’s administrative functions hereunder; and provided further, that the authority of any Committee appointed pursuant to this Section 2 will be subject to such terms and conditions as the Board may prescribe from time to time and will be coextensive with, and not in lieu of, the authority of the Board hereunder.
- (b) Directors Entitled to Vote. Directors who are eligible for Awards or have received Awards may vote on any matters affecting the administration of this Plan or the grant of Awards, except that no such member will act upon the grant of an Award to himself or herself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board during which action is taken with respect to the grant of Awards to himself or herself.
- (c) Authority of the Board. The Board will have the authority to grant Awards under this Plan. In particular, subject to the terms of this Plan, the Board will have the authority to:
- (i) select the persons to whom Awards may from time to time be granted hereunder (consistent with the eligibility conditions set forth in Section 4);
 - (ii) determine the type of Award to be granted to any person hereunder;
 - (iii) determine the number of Shares, if any, to be covered by each Award; and
 - (iv) establish the terms and conditions of each Award Agreement granted under this Plan.
- (d) Idem. The Board will have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing this Plan as it, from time to time, deems advisable; to interpret the terms and provisions of this Plan and any Award issued under this Plan, and any Award Agreement; and to otherwise supervise the administration of this Plan. The Board may correct any defect, supply any omission or reconcile any inconsistency in this Plan or in any Award or Award Agreement in the manner and to the extent it deems necessary to carry out the intent of this Plan.
- (e) Decisions of the Board Final. All decisions made by the Board pursuant to the provisions of this Plan will be final and binding on all persons, including the

Corporation and Participants. No Director will be liable for any good faith determination, act or omission in connection with this Plan or any Award.

3. Shares Subject to the Plan.

(a) Shares Subject to the Plan.

(i) The Shares to be subject to or related to Awards under this Plan will be authorized and unissued shares of the Corporation. The maximum number of Treasury Shares that may be subject to Options, DSUs, RSUs or PSUs under this Plan and any other security based compensation arrangement of the Corporation, including the Legacy Option Plan, is 10% of the issued Shares outstanding from time to time. For greater certainty, if and to the extent that an option granted pursuant to the Legacy Option Plan or an Award granted pursuant to this Plan is exercised, a number of Shares equal to the number of Shares associated with that option or Award, as applicable, will again become available for grant under this Plan. The Corporation will reserve for the purposes of this Plan, out of its authorized and unissued Shares, such number of Shares. Notwithstanding the foregoing, no Participant may be granted, in any calendar year, Awards with respect to more than 3% of the issued and outstanding Shares.

(ii) In addition, (A) the maximum number of Shares that are issuable to Insiders of the Corporation pursuant to Awards under this Plan and any other share-based compensation arrangement adopted by the Corporation is 10% of the Shares outstanding from time to time; (B) the maximum number of Shares that may be issued to Insiders of the Corporation under this Plan and any other share-based compensation arrangement adopted by the Corporation within a one-year period is 10% of the Shares outstanding from time to time; and (C) the maximum number of Shares that may be issued to any one Insider of the Corporation (and such Insider's associates and Affiliates) under this Plan and any other share-based compensation arrangement adopted by the Corporation within a one-year period is 3% of the number of Shares outstanding. For purposes of clauses (A), (B) and (C) of this Section 3(a)(i), any entitlement to acquire Shares granted pursuant to this Plan or any other share-based compensation arrangement adopted by the Corporation prior to the Participant becoming an Insider of the Corporation is to be excluded, and the number of Shares outstanding is to be determined at the time of the Award issuance in question.

(iii) Notwithstanding the foregoing, the annual grant of Awards (excluding any one-time grant made in the fiscal year of the Director's initial service) issued to any one Independent Director under this Plan and any other share-based compensation arrangement adopted by the Corporation will not exceed an aggregate grant value of \$150,000 in total equity, of which no more than \$100,000 may be issued in the form of Options.

(b) Effect of the Expiration or Termination of Awards. If and to the extent that an Option expires, terminates or is cancelled or forfeited for any reason without having been exercised in full, the Shares associated with that Option will again

become available for grant under this Plan. Similarly, if and to the extent an Award of DSUs, RSUs or PSUs is cancelled or forfeited for any reason, the Shares subject to that Award will again become available for grant under this Plan. In addition, if and to the extent an Award is settled for cash, the Shares subject to that Award will again become available for grant under this Plan.

- (c) Other Adjustment. In the event of any recapitalization, reorganization, arrangement, amalgamation, subdivision or consolidation, stock dividend or other similar event or transaction, substitutions or adjustments will be made by the Board: (i) to the aggregate number, class and/or issuer of the securities reserved for issuance under this Plan; (ii) to the number, class and/or issuer of securities subject to outstanding Awards; and (iii) to the Exercise Price of outstanding Options in a manner that reflects equitably the effects of such event or transaction.
 - (d) Change of Control. If a Change of Control occurs, and unless otherwise provided in an Award Agreement or a written employment contract between the Corporation and a Participant and except as otherwise set out in this Section 3(d), the Board, may provide that: (1) the successor corporation or entity will assume each Award or replace it with a substitute Award on terms substantially similar to the existing Award; (2) the Awards will be surrendered for a cash payment made by the successor corporation or entity equal to the Fair Market Value thereof; or (3) any combination of the foregoing will occur, provided that the replacement of any Option with a substitute Option shall, at all times, comply with the provisions of subsection 7(1.4) of the Tax Act.
 - (e) Acceleration on Change of Control. If in connection with or within 12 months following a Change of Control, and unless otherwise provided in an Award Agreement or a written employment contract between the Corporation and a Participant, a Participant's service, consulting relationship, or employment with the Corporation, an Affiliate or the continuing entity is terminated without cause, or the Participant resigns from his or her employment as a result of either (i) a substantial diminution in the Participant's authorities, duties, responsibilities, status (including officers, titles, and reporting requirements) from those in effect immediately prior to the Change of Control; (ii) the Corporation requiring the Participant to be based at a location in excess of one hundred (100) kilometers from the location of the Participant's principal job location or office immediately prior to a Change of Control; or (iii) a reduction in the Participant's base salary, or a substantial reduction in the Participant's target compensation under any incentive compensation plan, as in effect as of the date of a Change of Control, then all Awards then held by such Participant (and, if applicable, the time during which such Awards may be exercised) will immediately vest. In the event that an Award is subject to vesting upon the attainment of performance criteria, then the number of Options, DSUs, RSUs or PSUs that shall immediately vest will be determined by multiplying the number of Awards subject to such vesting criteria by the pro rata performance criteria achieved by the termination date.
4. **Eligibility.** Employees or consultants of the Corporation or any of its Affiliates, officers of the Corporation or of any of its Affiliates and Directors are eligible to be granted Awards under this Plan.
5. **Options.**

- (a) Any Option granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any Option will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
- (i) Option Price. The exercise price per Share purchasable under an Option (the “**Exercise Price**”) will be determined by the Board and will not be less than 100% of the Fair Market Value of a Share on the date of the grant or such other minimum price as is permitted by the stock exchange or market on which the Shares are then listed or quoted.
 - (ii) Option Term. The term of each Option will be fixed by the Board; provided, however, that no Option, subject to earlier cancellation, will be exercisable more than 10 years after the date the Option is granted, or in the event the 10 year anniversary of the date of grant falls within a Blackout Period, the date which is 10 days after the date on which the Blackout Period has ended.
 - (iii) Exercisability. Options will vest and be exercisable at such time or times and subject to such terms and conditions as determined by the Board.
 - (iv) Method of Exercise. Subject to the exercisability and termination provisions set forth in this Plan and in the applicable Award Agreement, Options may be exercised, in whole or in part, at any time and from time to time during the term of the Option, by the delivery of written notice of exercise by the Participant to the Corporation specifying the number of Shares to be purchased (the “**Exercise Notice**”). Subject to Section 5(a)(vi), the aggregate Exercise Price in respect of the Options being exercised will be paid at the time of exercise in cash, certified cheque or bank draft. The Exercise Notice will contain the Participant’s undertaking to comply, to the satisfaction of the Corporation and its counsel, with all applicable provisions of this Plan and the Award Agreement which, by their terms, are intended to be binding on Shares issued pursuant to the exercise of Options granted pursuant to this Plan. The Participant will not have the right to distributions or dividends or any other rights of a shareholder with respect to the Shares subject to any Options until the Participant has given the Exercise Notice, has paid in full for such Shares in accordance with this Section 5(a)(iv), and fulfills such other conditions as may be set forth in the Plan or the applicable Award Agreement.
 - (v) Cashless Exercise. If approved by the Board, in lieu of paying the Exercise Price for the Shares to be issued pursuant to such exercise, the Option Holder may elect to acquire the number of Shares determined by subtracting the Exercise Price from the Fair Market Value of the Shares on the date of exercise, multiplying the difference by the number of Shares in respect of which the Option was otherwise being exercised and then dividing that product by such Fair Market Value of the Shares. In such event, the number of Shares as so determined (and not the number of Shares to be issued under the Option) will be deemed to be issued under the Plan.

- (vi) Termination of Service. Unless otherwise specified in the Award Agreement, Options will be subject to the terms of Section 9 with respect to exercise upon or following termination of employment or other service with the Corporation or any of its Affiliates.
- (vii) Non-Transferability. (A) no Option may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) all Options will be exercisable only by the Participant or by his or her personal representative.

6. **DSUs.**

- (a) Nature of Award. Each DSU will provide the right to receive, on a deferred payment basis, a Share or the cash equivalent of a Share in an amount equal to the Fair Market Value of the Share (at the applicable payment date) as described in this Section 6. Vested DSUs will not be redeemable and paid except upon the earlier of the death, Retirement, or loss of office or employment of the Participant with the Corporation and/or any of its Affiliates terminates. A DSU award may be settled in Shares, cash, or in any combination of Shares and cash. The determination to settle a DSU in whole or in part in cash may be made by the Board, in its sole and absolute discretion. DSUs will be settled by the Corporation as soon as practicable following the death, Retirement, or loss of office or employment of the Participant with the Corporation and/or each of its Affiliates and, in any event, no later than the end of the first calendar year following the year in which such death, Retirement or loss of office or employment occurs.
- (b) Terms and Conditions. Any DSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any DSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
 - (i) Termination of Service. Unless otherwise specified in the Award Agreement, DSUs will be subject to the terms of Section 9 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
 - (ii) Non-Transferability. (A) no DSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) all DSUs will be exercisable only by the Participant or by his or her personal representative.

7. **RSUs.**

- (a) Nature of Award. Each RSU will represent the right to receive from the Corporation, after fulfillment of any applicable conditions, a payment from the Corporation (i) if settlement is made in cash, in an amount equal to the Fair Market Value (at the time of the distribution) of one Share per each RSU being settled, and (ii) if settlement is being made in Shares, on the basis of one Share per each RSU being settled. Payments may be made in Shares, cash, or in any combination of Shares and cash. The determination to settle an RSU in whole or

in part by Shares, cash or in any combination will be made by the Board, in its sole and absolute discretion.

- (b) Terms and Conditions. Any RSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any RSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
 - (i) Termination of Service. Unless otherwise specified in the Award Agreement, RSUs will be subject to the terms of Section 9 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
 - (ii) Non-Transferability. (A) no RSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) all RSUs will be exercisable only by the Participant or by his or her personal representative.
 - (iii) Settlement. A RSU granted under this Plan must be settled on or before December 15th of the third calendar year following the calendar year in which the RSU is granted.

8. **PSUs.**

- (a) Nature of Award. Each PSU will represent the right to receive from the Corporation, after fulfillment of any applicable conditions (including achievement of certain performance criteria) a payment from the Corporation (i) if settlement is made in cash, in an amount equal to the Fair Market Value (at the time of the distribution) of one Share per each PSU being settled multiplied by the Payout Factor, and (ii) if settlement is made in Shares, on the basis of one Share per each PSU being settled multiplied by the Payout Factor. Payments may be made in Shares, cash, or in any combination of Shares and cash. The determination to settle a PSU in whole or in part by Shares, cash or any combination will be made by the Board, in its sole and absolute discretion.
- (b) Terms and Conditions. Any PSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any PSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
 - (i) Termination of Service. Unless otherwise specified in the Award Agreement, PSUs will be subject to the terms of Section 9 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
 - (ii) Non-Transferability. (A) no PSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) all PSUs will be exercisable only by the Participant or by his or her personal representative.

9. **Termination of Employment or Service (Options, DSUs, RSUs and PSUs).**

- (a) Termination by Reason of Death or Total Disability. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's employment or service with the Corporation or any of its Affiliates terminates by reason of the death or total disability of the Participant:
- (i) Options: any vested Option held by such Participant may thereafter be exercised, to the extent it was exercisable at the time of his or her death, by the legal representative of the Participant, for a period ending 12 months following the earlier of (i) the date of such Participant's death, and (ii) on the last day of the stated term of such Option. All Options that will not vest within 12 months following the date of such Participant's death shall immediately and automatically terminate; and
 - (ii) DSUs, RSUs and PSUs: any DSUs, RSUs or PSUs held by such Participant will vest on the date of such death or total disability and be capable of settlement pursuant to and subject to the terms of this Plan, subject to with respect to PSUs, the board shall determine the extent of satisfaction of the performance criteria in determining the number of PSUs that shall be eligible for vesting and exercise.
- (b) Cause. If a Participant's service with the Corporation or any of its Affiliates is terminated for Cause, (i) any Award (whether vested or unvested) held by the Participant will immediately and automatically expire and terminate as of the date of such termination, (ii) all rights to receive payment thereunder will be forfeited by the Participant following the date of termination, and (iii) any Shares for which the Corporation has not yet delivered share certificates or the Participant has not received a customary confirmation through the facilities of The Canadian Depository for Securities Limited (or its successor) in respect thereof, as applicable, will be immediately and automatically forfeited and the Corporation will, in the case of an Option, refund to the Participant the Option exercise price paid for such Shares, if any.
- (c) Termination Without Cause and Retirement. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's service with the Corporation or any of its Affiliates terminates due to termination by the Corporation without Cause or Retirement:
- (i) Options: a pro-rata portion of the Participant's unvested Options, based on the Participant's completed full months of active employment up to the termination date relative to the number of months in the vesting period, will vest and any such Options held by such Participant, together with any other Options held by such Participant that were vested at the date of termination or that vest during the 90 day period following the date of termination, may thereafter be exercised by the Participant for a period ending 90 days following the earlier of (i) the date of such termination, and (ii) the last day of the stated term of such Option. Any remaining unvested Options will terminate effective as of the date which is 90 days after the date of termination, and all rights to receive payment thereunder will be forfeited; and

- (ii) DSUs, RSUs and PSUs: a pro-rata portion of the Participant's unvested DSUs, RSUs and PSUs, based on the Participant's completed full months of active employment up to the termination date relative to the number of months in the vesting period, will continue to vest and be paid out in accordance with their terms. Any remaining unvested DSUs, RSUs and PSUs, will terminate effective as of the date which is 90 days after the date of termination, and all rights to receive payment thereunder will be forfeited. With respect to PSUs the board shall determine the extent of satisfaction of such performance criteria in determining the number of PSUs that shall be eligible for vesting and exercise.
- (d) Other. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's service with the Corporation or any of its Affiliates terminates for any other reason, (A) any Option held by such Participant that was vested at the date of termination or that vests during the 90 day period following the date of termination may thereafter be exercised by the Participant for a period ending 90 days following the earlier of (i) the date of such termination, and (ii) the last day of the stated term of such Option, and (B) any unvested DSU, RSU or PSU held by such Participant will terminate effective as of the date which is 90 days after the date of termination, and all rights to receive payment thereunder will be forfeited.
- (e) General: The provisions of this Section 9 will not apply in respect of such termination if such Participant will continue to serve the Corporation as a Participant or one or more of its other Affiliates following such termination.

10. **Amendment and Termination.**

- (a) Amendments Requiring Shareholders Approval. The Board may amend, alter or discontinue this Plan or amend the terms of any Award or Award Agreement at any time, provided that (1) no such amendment, modification, change, suspension or termination of the Plan or any Awards 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 Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (2)shareholder approval will be required for amendments to:
 - (i) reduce the exercise price or purchase price of any security based compensation arrangement under this Plan;
 - (ii) extend the term under a security based compensation arrangement under this Plan;
 - (iii) permit Awards to be transferable or assignable by Participants, other than by will or by relevant laws of descent and distribution;
 - (iv) remove or exceed the limits in this Plan on participation by Insiders of the Corporation;
 - (v) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of the Corporation's outstanding capital represented by such securities;

- (vi) increase the limits on the total annual grant of Awards permitted to be issued to any one Independent Director as provided in Section 3(a)(iii); or
 - (vii) amend an amending provision within this Plan.
- (b) Amendments Not Requiring Shareholder Approval. Notwithstanding Section 10(a) but subject to the requirements of any stock exchange upon which the Shares are then listed and applicable law, no shareholder approval will be required for:
- (i) amendments to this Plan of a “housekeeping nature”;
 - (ii) changes to the vesting or exercise provisions or other restrictions applicable to any Award, Award Agreement or this Plan not inconsistent with the provisions of Section 10(a);
 - (iii) changes to the provisions of this Plan relating to the expiration of Awards prior to their respective expiration dates upon the occurrence of certain specified events determined by the Board; (iv) the cancellation of an Award; or (v) any other amendment to an Award, Award Agreement or this Plan which is approved by any applicable stock exchange on a basis which does not require shareholder approval to be obtained.

11. **General Provisions.**

- (a) Compliance with Applicable Law. Shares will not be issued hereunder unless, in the judgment of counsel for the Corporation, the issuance complies with the requirements of any stock exchange or quotation system on which the Shares are then listed or quoted, the Securities Act and all other applicable laws.
- (b) Legends. All certificates for Shares or other securities delivered under this Plan will be subject to such share-transfer orders and other restrictions as the Board may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Shares are then listed, the Securities Act and any applicable laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (c) No Employment Rights or Representation or Warranty. Neither the adoption of this Plan nor the execution of any document in connection with this Plan will (i) confer upon any employee of the Corporation or any of its Affiliates any right to continued employment or engagement with the Corporation or any such Affiliate, or (ii) interfere in any way with the right of the Corporation or any such Affiliate to terminate the employment of any of its employees at any time. The Corporation makes no representation or warranty as to the future market value of any Share distributed pursuant to this Plan.
- (d) Taxes - General.
- (i) With respect to any Award, the Participant will pay to the Corporation, or make arrangements satisfactory to the Board regarding the payment of, taxes of any kind required by applicable law to be withheld. The obligations of the Corporation under this Plan will be conditioned on such payment or arrangements and the Corporation will have the right to

deduct any such taxes from any payment of any kind otherwise due to the Participant (“**Withholding Obligations**”). Unless the Participant has made arrangements with the Corporation to remit the amount of such Withholding Obligations to the Corporation prior to or in connection with such Withholding Obligations arising, the Corporation has the right, in its sole discretion, to satisfy any Withholding Obligations by:

- (A) selling or causing to be sold, on behalf of any Participant, such number of Shares issuable to the Participant pursuant to an Award as is sufficient to fund the Withholding Obligations;
- (B) retaining the amount necessary to satisfy the Withholding Obligations from any amount (whether cash, shares or other property) which would otherwise be delivered, provided or paid to the Participant by the Corporation, whether under this Plan or otherwise;
- (C) requiring the Participant, as a condition of exercise of any Award or the payment of any kind otherwise due to the Participant with respect to any Award to (1) remit the amount of any such Withholding Obligations to the Corporation in advance; (2) reimburse the Corporation for any such Withholding Obligations; or (3) cause a broker who sells Shares acquired by the Participant on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligation and to remit such amount directly to the Corporation;
- (D) making such other arrangements as the Corporation may reasonably require.

The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the “**Broker**”) under this Section 11(d) will be made on a public stock exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the Withholding Obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise. The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

- (e) Taxes – Section 409A of the Code. With respect to Participants who are subject to taxation in the United States, Awards under the Plan are intended to be exempt from, or to the extent subject thereto, to comply with Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan will be interpreted in accordance therewith. Notwithstanding anything contained herein to the contrary,

to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a Participant will not be considered to have terminated employment or service with the Corporation for purposes of the Plan until the Participant would be considered to have incurred a “separation from service” from the Corporation and its Affiliates within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the “short term deferral period” as defined in Section 409A of the Code will not be treated as deferred compensation unless applicable law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards (or any other amounts payable under any plan, program or arrangement of the Corporation or any of its Affiliates) are payable upon a separation from service and such payment would result in the imposition of any individual tax and penalty interest charges imposed under Section 409A of the Code, the settlement and payment of such awards (or other amounts) will instead be made on the first business day after the date that is six months following such separation from service (or death, if earlier). Each amount to be paid or benefit to be provided under this Plan will be construed as a separate identified payment for purposes of Section 409A of the Code. The Corporation makes no representation that any or all of the payments or benefits described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. Participants will be solely responsible for the payment of any taxes and penalties incurred under Section 409A.

- (f) No Guarantees Regarding Tax Treatment. Participants (or their beneficiaries) will be responsible for all taxes with respect to any Award under the Plan. The Board and the Corporation make no guarantees to any person regarding the tax treatment in respect of the Awards or payments made under the Plan.
12. **Effective Date of Plan.** This Plan was initially adopted by the Board on April 26, 2021 and effective [●], 2021.
13. **Term of Plan.** This Plan will continue in effect until terminated in accordance with Section 10.
14. **Invalid Provisions.** In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.
15. **Governing Law.** This Plan and all Awards granted hereunder will be governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
16. **Notices.** Any notice to be given to the Corporation pursuant to the provisions of this Plan must be given by registered mail, postage prepaid, and, addressed, if to the Corporation to its principal executive office to the attention of its Chief Financial Officer (or such other person as the Corporation may designate in writing from time to time), and, if to a Participant, to his or her address contained in the Corporation’s personnel records, or at such other address as such Participant may from time to time designate in writing to the

Corporation. Any such notice will be deemed given or delivered three Business Days after the date of mailing.

APPENDIX “B”**EURO SUN MINING INC.****CORPORATE GOVERNANCE DISCLOSURE****1. Board of Directors**

The board of directors (the “**Board**”) of Euro Sun Mining Inc. (the “**Corporation**”) facilitates its exercise of independent supervision over management by endeavouring to ensure it is composed of a majority of directors who are considered to be “independent”, as such term is defined in National Instrument 52-110 – *Audit Committees*. The Board, at present, is composed of seven directors, six of whom are considered to be independent (being Ms. Bellissimo and Messrs., Callow, Danziger, Humphrey, Perrow and Vukanovich). Mr. Moore, as the current CEO of the Corporation, is not considered independent. In determining whether a director is independent, the Board considers, for example, whether that director has a relationship, which could, or could be perceived to interfere with that director’s ability to objectively assess the performance of management.

The independent members of the Board hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.

Board Responsibilities

The Board is responsible for the stewardship of the Corporation through the appropriate supervision of the business and management of the Corporation and is committed to adhering to the highest standards in its corporate practices. This mandate is accomplished directly and through the Audit Committee, the Human Resources and Compensation Committee, and the Corporate Governance and Nominating Committee. The Board believes that governance guidelines will continue to evolve to address all applicable regulatory and stock exchange requirements relating to corporate governance and will be modified and updated as circumstances warrant.

The key responsibilities of the Board and its committees are discharged in the following manner:

- The assignment to committees of directors of the Corporation the general responsibility for developing the Corporation’s approach to: (i) financial reporting and internal controls; (ii) issues relating to compensation of directors, officers and employees; and (iii) corporate governance issues and matters relating to nomination of directors;
- The formation of committees of the Board when it is deemed appropriate by the Board to deal with specific issues that arise;
- With the assistance of the Corporate Governance and Nominating Committee:
 - Developing the Corporation’s approach to corporate governance, including developing a set of corporate governance principles and guidelines specific to the Corporation;
 - Reviewing the composition of the Board and ensuring it meets its independence criteria;

- To the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the Corporation;
 - Assessing at least annually, the effectiveness of the Board and the committees of the Board, including, considering the appropriate size of the Board;
 - Approving disclosure and securities compliance policies, including communications policies of the Corporation; and
 - Reviewing and approving the formal charters of the committees of the Board;
- With the assistance of the Audit Committee:
 - Ensuring the integrity of the Corporation's internal controls and management information systems;
 - Ensuring the Corporation's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Corporation's own governing documents;
 - Identifying the principal risks of the Corporation's business and ensuring that appropriate systems are in place to manage these risks, including, without limitation, implementing currency and metals hedging programs, as deemed appropriate;
 - Reviewing and approving significant operational and financial matters and providing direction to management on these matters;
 - Approving annual and interim financial statements of the Corporation together with the annual management's discussion and analysis, unless such approval is specifically delegated to the Audit Committee of the Board; and
 - As required and agreed upon, providing assistance to shareholders concerning the integrity of the Corporation's reported financial performance;
 - With the assistance of the Human Resources and Compensation Committee, establishing appropriate performance criteria for the senior management of the Corporation, and approving the compensation of the senior management and the directors;
 - With the assistance of the Chief Executive Officer ("**CEO**"), monitoring and reviewing feedback provided by the Corporation's shareholders;
 - Succession planning including selecting, appointing, training, monitoring, evaluating and, if necessary, replacing senior management to ensure management succession;
 - Reviewing and approving corporate objectives and goals applicable to the Corporation's senior management and monitoring realization of those objectives;
 - Reviewing with senior management:

- Major corporate decisions which require approval of the Board and approving such decisions as they arise;
 - Major capital expenditure decisions in excess of thresholds previously authorized in a budget or by resolution of the Board; and
 - Material decisions relating to senior personnel, major property acquisitions or divestments, major investments, and other decisions, where deemed appropriate; and
- Performing such other functions as prescribed by law or assigned to the Board in the Corporation's constating documents and by-laws.

The Board meets a minimum of four times a year and more frequently if required. The Audit Committee meets a minimum of four times a year.

Position Description for the Chair of the Board

The Chair of the Board shall be an independent director who is designated by the Board to act as the leader of the Board. His or her role will be to take all reasonable measures to ensure the Board fulfills its oversight responsibilities. They are responsible for the management and the effective performance of the Board, and provides leadership and direction to the Board.

The Chair will be selected amongst the directors of the Corporation who have a sufficient level of experience with corporate governance issues to ensure the leadership and effectiveness of the Board. The Chairman will be selected annually at the first meeting of the Board following the annual meeting of shareholders.

In addition to the responsibilities applicable to all directors of the Corporation, the responsibilities of the Chairman of the Board include the following:

- (a) Presiding at all meetings of the Corporation's shareholders and of the Board;
- (b) Preparing the agenda for each meeting of the Board;
- (c) Assisting the Board, Board Committees and the individual directors in effectively understanding and discharging their respective duties and responsibilities;
- (d) Ensuring that the directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board;
- (e) Chairing Board meetings, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decision-making is reached and accurately recorded;
- (f) Ensuring there is an effective relationship between the Board and senior management of the Corporation;
- (g) Overseeing all aspects of the Board and Board Committee functions to ensure compliance with the Corporation's corporate governance practices;

- (h) Ensuring independent directors regularly discuss among themselves, without the presence of management, the Corporation's affairs;
- (i) Working with the Chief Executive Officer to ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bringing to the attention of the Chief Executive Officer any issues that are preventing the Board from being able to carry out its responsibilities; and;
- (j) Working with the Corporate Governance and Nominating Committee in connection with the recruitment of new directors where necessary, approaching potential candidates once such candidates are identified and exploring their interest in joining the Board; and
- (k) Carrying out other responsibilities at the request of the Board.

Position Description for the Chief Executive Officer

The CEO's primary role is to manage the Corporation in an effective, efficient and forward-looking way and to fulfil the priorities, goals and objectives determined by the Board of the Corporation in the context of the Corporation's strategic plans, budgets and responsibilities set out below, with a view to increasing shareholder value. The CEO is responsible to the Board.

Without limitation to the foregoing, the CEO is responsible for the following:

- Maintaining and developing the Corporation's goal of enhancing shareholder value by being a successful and profitable exploration, development and mining company;
- Maintaining and developing with the Board strategic plans for the Corporation and successfully implementing such plans;
- Providing quality leadership to the Corporation's staff and ensuring that the Corporation's human resources are managed properly;
- Providing high-level policy options, orientations and discussions for consideration by the Board;
- Maintaining existing and developing new strategic alliances and considering possible merger or acquisition transactions with other mining companies which will be constructive for the Corporation's business and will help enhance shareholder value;
- Providing support, co-ordination and guidance to various responsible officers and managers of the Corporation;
- Ensuring communications between the Corporation and major stakeholders, including and most importantly, the Corporation's shareholders, are managed in an optimum way and are done in accordance with applicable securities laws;
- Providing timely strategic, operational and reporting information to the Board and implementing its decisions in accordance with good governance, with the Corporation's policies and procedures, and within budget;
- Acting as an entrepreneur and innovator within the strategic goals of the Corporation;

- Co-ordinating the preparation of an annual business plan;
- Ensuring appropriate governance skills development and resources are made available to the Board; and
- Complying at all times with laws and the Corporation's Codes of Business Conduct and Ethics and ensuring to provide a culture of high ethics throughout the organization.

2. **Directorships**

As of the date of this Circular, the following members of the Board and/or nominees thereto are also directors of other reporting issuers, as indicated beside their names:

Director	Other Reporting Issuers
Eva Bellissimo	i-80 Gold Corp.
Daniel Callow	African Gold Group-, Inc.
David C. Danziger	American Apparel Inc. Eurotin Inc. Renforth Resources Inc.
Bruce Humphrey	Black Iron Inc.
G. Scott Moore	Origin Gold Corporation
Paul J. Perrow	CI Financial Corp.
Peter Vukanovich	Real Matters Inc.

3. **Orientation and Continuing Education**

While the Corporation has not yet developed it is in the process of developing an official orientation or training program for new directors, it is expected that orientation and continuing education activities will be tailored to the particular needs and experience of each director and the overall needs of the Board and will encompass interviews with other directors and the Corporate Governance and Nominating Committee and management during which new members would be briefed on the Corporation and its activities including the role of the Board, its committees and its directors and the nature and operations of the Corporation's business.

The Corporation encourages directors to participate in seminars and/or courses that will enhance their role as a director to the Corporation.

4. **Ethical Business**

The Board's mandate includes satisfying itself as to the integrity of the Corporation's executive officers and endeavours to reflect, in all of the Corporation's dealings, a culture of integrity and ethical business conduct.

The Board strives to promote integrity and at all times encourages directors to exercise independent judgement in considering transactions or agreements in respect of which a director or officer has a material interest and all such transactions or agreements must be approved by the Board.

The Board has adopted a Code of Business Conduct and Ethics (the “**Code**”) that addresses issues, such as conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, fair dealing with shareholders, partners, suppliers, competitors and employees, compliance with laws, rules and regulations and reporting of any illegal or unethical behaviour, as well as monitoring compliance with such a code. The purposes of the Code are to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the securities regulators and in other public communications made by the Corporation;
- promote compliance with applicable governmental laws, rules and regulations;
- promote the prompt internal reporting to an appropriate person of violations of the Code;
- promote accountability for adherence to the Code;
- provide guidance to employees, officers and directors to help them recognize and deal with ethical issues; and
- foster the development of a culture of honesty and accountability within the Corporation.

Violations of this Code by an employee, officer or director are grounds for disciplinary action up to and including, but without limitation, immediate termination of employment or request for resignation of a directorship.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Corporation has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code and the rules concerning reporting conflicts of interest.

A copy of the Code is available on the website of the Corporation at www.eurosunmining.com.

5. Whistleblower Policy

The Corporation has adopted a Whistleblower Policy that allows its directors, officers, consultants and employees who feel that a violation of the Code has occurred, or who has concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, to report such violations or concerns on a confidential and anonymous basis. Reporting of a violation or concern is made to the Chair of the Corporation’s

Audit Committee who then investigates each matter so reported and takes corrective or disciplinary action, if appropriate.

6. Anti-Corruption Policy

The Corporation has adopted an Anti-Corruption Policy that outlines the requirements that must be fulfilled by all employees, consultants, officers and directors of the Corporation, as well as any third-parties working for or on behalf of the Corporation. These requirements include the prohibition of bribing government officials and making facilitation payments. This policy also provides the Corporation's employees, consultants, officers and directors with further clarity regarding books and records transparency, as well as the conditions with respect to gift giving to government officials, political and charitable contributions, third-party oversight and due diligence, internal controls and management's responsibility to promote and create awareness of the policy.

7. Nomination of Directors

The responsibility for proposing new nominees to the Board and for assessing directors on an ongoing basis is assumed by the Corporate Governance and Nominating Committee, which committee is comprised entirely of independent directors. The Corporate Governance and Nominating Committee is responsible for developing, assessing and improving a set of corporate governance principles applicable to the Corporation and for identifying and recommending individuals to the Board for nomination as members of the Board. The Corporate Governance and Nominating Committee is responsible for reviewing with the Board, on a periodic basis, the requisite skills and characteristics of prospective Board members as well as the composition of the Board as a whole. The Corporate Governance and Nominating Committee and the Board also consider a candidate's experience and qualifications in areas including, but not limited to, mining, financial reporting, capital markets, human resources, compensation, risk assessment, executive management, legal and corporate governance, and public company stewardship as well as diversity considerations in accordance with the Corporation's Diversity Policy. The Board seeks members who have skills and experiences in these areas and will amend the composition of the Board from time to time as considered necessary.

8. Term Limits

The Board has not adopted term limits for the Directors on the Board or other mechanisms of Board renewal. Instead, the Corporate Governance and Nominating Committee has the mandate and responsibility to ensure that a process is in place for the periodic review of the performance of individual Directors, the Board as a whole and the Board committees.

9. Human Resources and Compensation Committee

The Human Resources and Compensation Committee for the Corporation has been established and presently consists of three members of the Board, being Mr. Callow (chair), Ms. Bellissimo and Mr. Danziger, all of whom are independent. The Human Resources and Compensation Committee's purpose is to fulfill its oversight responsibilities with respect to each of the (i) key compensation and human resources strategies, programs and policies for all of the Corporation's employees and (ii) performance management, compensation, succession and development for senior officers, including the Chief Executive Officer.

The mandate of the Human Resources and Compensation Committee is:

- review and recommend for approval by the Board the compensation philosophy and structure, including short- and long-term incentive plans, for the CEO and the other senior officers of the Corporation and to oversee the implementation and administration of compensation policies and programs concerning executive compensation, executive employment contracts, incentive plans, retirement plans and other benefits;
- review and recommend for approval by the Board the annual salary/fees, short and long-term incentive awards and other benefits, direct and indirect, including targets tied to corporate goals and personal objectives, for the CEO and the other senior officers (after considering the recommendations of the CEO);
- review and recommend for approval by the Board all equity-based grants;
- develop and maintain a position description for the CEO and to assess the performance of the CEO against such position description, the corporate goals and objectives and, if applicable, the CEO's individual goals and objectives;
- identify any risks arising from the Corporation's compensation policies and practices that could be reasonably likely to have a material adverse effect on the Company;
- ensure that the Corporation has in place programs to attract and develop management of the highest caliber and a process to provide for the orderly succession of senior officers;
- review recommendations concerning material changes or amendments to compensation policies and programs;
- review the adequacy and form of the compensation of directors and to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director, and to report and make recommendations to the Board accordingly;
- review the executive compensation disclosure in continuous disclosure filings; and
- monitor compensation trends and issues generally and particularly as they relate to the industry in which the Corporation operates.

10. Board Performance Assessment

The Corporate Governance and Nominating Committee takes responsibility for monitoring and assessing Board effectiveness and Board committees, including reviewing the Board's decision-making processes and the quality of information provided by management, and among other things:

- Overseeing strategic planning;
- Monitoring the performance of the Corporation's assets;
- Evaluating the principal risks and opportunities associated with the Corporation's business and overseeing the implementation of appropriate systems to manage these risks;

- Approving specific acquisitions and divestitures;
- Evaluating senior management; and
- Overseeing the Corporation's internal control and management information systems.

11. Diversity and Inclusion

On March 25, 2021, the Board has adopted an Anti-Discrimination, Diversity and Inclusion Policy (the "**Diversity Policy**") which confirms the Corporation's commitment to achieving and maintaining a diverse Board and management, including for greater certainty, gender diversity.

As set out in the Diversity Policy, the Corporation does not tolerate discrimination based on any personal attribute such as race, ethnic origin, geographical and cultural background, colour, indigenous status, nationality, disability, religion, age, gender, sexual orientation or gender identity in any employment practices including recruitment, promotions, training, and pay. The Corporation is committed to fostering a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination.

The Corporation believes in diversity and values the benefits that diversity can bring to its Board, management and to all employees in the Corporation. Diversity promotes the inclusion of different perspectives and ideas, mitigates group think and ensures that the Corporation has the opportunity to benefit from all available talent. In particular, promoting a diverse Board and a diverse management team makes prudent business sense and makes for better corporate governance.

The Corporation seeks to maintain and encourage a diverse Board and management team which includes, but is not necessarily limited to, the personal characteristics and attributes set out above. Directors and management should also have a diverse mix of expertise, experience, education skills and backgrounds. The skills and backgrounds collectively represented on the Board and in management should reflect the diverse nature of the business environment in which the Company operates.

The Corporation's Diversity Policy does not currently set numeric targets for the representation of diverse individuals on the Board or in management but instead requires that (i) the Corporation periodically assess the expertise, experience, skills and backgrounds in light of the needs of the Board, (ii) ensure that any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board or management will be specifically directed to include diverse candidates, including for greater certainty, female and racially diverse candidates and (iii) in furtherance of Board diversity, the Corporation shall endeavour to maintain a diverse Board reflecting the above listed personal characteristics and attributes, and the Board shall endeavour to comply with best practices and any applicable proxy voting guidelines. As of the date hereof, one member of the Board is a woman (14%) and there are no women serving as executive officers of the Corporation. There are not yet any Board members or executive officers who are persons with disabilities (0%), Indigenous (0%) or visible minorities (0%).

The Corporate Governance and Nominating Committee will review the Diversity Policy regularly, and will recommend any such revisions to the Board for approval.

Euro Sun Mining Inc.

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