

EMERGENT METALS CORP.

Notice of Annual General Meeting of Shareholders

to be held on Tuesday, June 28, 2022 at 10:00 AM (Vancouver
Time)

at Suite 1010, 789 West Pender Street,
Vancouver, B.C., V6C 1H2

Management Information Circular

Dated as at May 24, 2022

EMERGENT METALS CORP.
NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of shareholders of Emergent Metals Corp. (the “**Company**”) will be held **at their offices at Suite 1010, 789 West Pender Street, Vancouver, B.C. V6C 1H2, on Tuesday, June 28, at the hour of 10:00 a.m.** (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended December 31, 2021 and the accompanying reports of the auditors;
2. to set the number of directors of the Company at five (5);
3. to elect the directors of the Company;
4. to re-appoint MNP LLP, Chartered Professional Accountants, as the independent auditors of the Company until the 2022 annual general meeting and to authorize the directors to fix their remuneration;
5. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution to approve the Company’s Stock Option Plan as further described in the accompanying information circular (the “**Circular**”); and
6. to transact such other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company’s Board of Directors has fixed May 24, 2022 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof (the “**Record Date**”). Each registered shareholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Circular. All Shareholders are reminded to review the Circular before voting.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Company's employees, shareholders are strongly encouraged to vote on the matters before the Meeting by proxy BEFORE 10:00 a.m. (Vancouver time) on June 23, 2022, rather than attending the meeting in person. Accordingly, participants are encouraged to vote on the matters before the meeting by proxy and to join the annual meeting by teleconference. To listen to the meeting by teleconference, dial toll free at 1-888-272-2271, Access PIN Code: #24559.

Shareholders are encouraged to vote your proxy by mail, internet or telephone. You will need the control number contained in the accompanying form of proxy in order to vote. To be valid, your proxy must be received by the Company’s transfer agent, Computershare Investor Services Inc., no later than **10:00 a.m. (Vancouver time) on June 24, 2022**, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the date on which the Meeting or any postponement or adjournment thereof is held.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, Computershare Investor Services Inc., in accordance with the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 24th day of May, 2022.

By Order of the Board of Directors of
EMERGENT METALS CORP.

“David Watkinson”

Director and Chief Executive Officer

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EMERGENT METALS CORP.
(the "Company" or "Emergent")
789 West Pender Street, Suite 1010,
Vancouver, British Columbia V6C 1H2
Telephone: 1-866-497-0284

INFORMATION CIRCULAR
(as at May 24, 2022, except as indicated)

The Company is providing this information circular (the "**Information Circular**") and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "**Meeting**") of the Company to be held on Tuesday, June 28, 2022, at 10:00 a.m. (Vancouver Time) and at any postponements or adjournments thereof. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. All financial information is in \$US, the functional currency of the Company, unless otherwise noted. All references to financial results are based on the Company's financial statements, prepared in accordance with International Financial Reporting Standards (IFRS).

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the "**Management Proxyholders**").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1** not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as: a brokerage firm through which they purchased the shares; a bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or a clearing agency (a "**Nominee**"). If you purchased your Shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the form of proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you are a non-registered holder and wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy form provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Company to forward meeting materials directly to "non-objecting beneficial owners". These security-holder materials are being sent to both registered and non-registered holders. If you are a non-registered holder, and the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only registered shareholders have the right to revoke a proxy. Non-registered holders who

wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares ("**Shares**"). As of close of business on the Record Date, there were 13,618,221 Shares issued and outstanding, each carrying the right to one vote per Share held. Pursuant to the articles of the Company, the quorum requirement at the Meeting is one shareholder present in person or by proxy.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all Shares issued and outstanding in the share capital of the Company.

ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, their resignation or until their successors are elected or appointed. Shareholder approval will be sought to fix the number of directors of the Company at five (5).

The board of directors (the "**Board**") has adopted an Advance Notice Policy for the nomination of directors in certain circumstances. As of the date of this Information Circular, the Corporation has not received notice of any additional director nominations in connection with the Meeting.

In the absence of instructions to the contrary, the enclosed proxy will be voted by the Management Proxyholders for the nominees of management herein listed.

Management of the Company proposes to nominate each of the following persons for election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Director Since</i>	<i>Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽¹⁾</i>
David Watkinson California, USA <i>President, Chief Executive Officer & Director</i>	October 16, 2007	President and CEO of Emergent Metals Corp., President and CEO of Ameriwest Lithium Inc.	88,500
Andrew MacRitchie ^(2,3) Vancouver, B.C. <i>Director</i>	May 22, 2012	Chief Financial Officer, Skeena Resources Limited	33,500
Robert Rosner California, USA CFO & Director	July 10, 2018	President and CEO of CAT Strategic Metals Corporation, President and CEO of 4 Touchdowns Capital Inc., President and CEO of 27 Red Capital Inc.	36,500
Vincent Garibaldi ^(2,3) Montreal, Quebec <i>Director</i>	August 2, 2018	Lawyer, Partner, BCF LLP	Nil

Name, Jurisdiction of Residence and Position	Director Since	Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly⁽¹⁾
Julien Davy ^(2,3) Montreal, Quebec <i>Director</i>	December 7, 2020	President and CEO of Tarku Resources Ltd.	Nil

1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, based upon information publicly available or furnished to the Company by individual directors. Unless otherwise indicated, such Shares are held directly.

2) Member of the Audit Committee.

3) Member of the Corporate Governance and Compensation Committee.

About the Directors: [Directors to review bios, and revise, as needed]

David Watkinson brings over 30 years of professional engineering experience in underground and open pit mine development, including mine permitting, engineering, feasibility, construction, and operations to Emergent. In addition, he has extensive experience in project management, having taken projects from grass roots start-up to successful operating status. Mr. Watkinson has been responsible for management of large capital projects and operations in Canada, the United States and the Philippines. He has held progressively senior positions with Placer Dome Inc., Kinross Gold Corporation, Thyssen Mining Construction of Canada, and Vulcan Materials Company. Mr. Watkinson holds a B.Sc. in Applied Science, Mining Engineering, from Queen's University in Kingston, Ontario (1985) and is a Registered Professional Engineer in the Province of Ontario. Mr. Watkinson is currently President of Emergent; President, CEO, and Director of Ameriwest Lithium Inc. (CSE:AWLI); and a Director of Tarku Resources Ltd. (TSXV:TKU).

Robert Rosner has significant experience as a mining industry entrepreneur and executive. In addition to being a Director and CFO of Emergent, he currently acts as Chairman of the Board of Directors, President and CEO of CAT Strategic Metals Corporation (CSE:CAT); President CEO, and Director of 4 Touchdowns Capital Inc.; President, CEO, and Directors of 27 Red Capital Inc., and Director of Lucky Minerals Inc. (TSXV:LKY). Mr. Rosner has initiated the formation of a number of junior exploration mining companies, and played instrumental roles in managing these, and other, resource ventures involved in early-stage exploration, resource location, delineation, and development. He has successfully utilized his extensive experience in public and private company management for over 30 years. Mr. Rosner has acted as an officer and director of both Canadian and U.S. listed companies.

Andrew MacRitchie has over 20 years of experience in various mineral exploration finance and accounting roles. He is a Chartered Professional Accountant, holds a B.Sc. Honours degree from the University of British Columbia, and articulated with PricewaterhouseCoopers. He is Chief Financial Officer of Skeena Resources Limited (TSX:SKE, NYSE:SKE), and has assisted in raising over \$400 million in funding for a number of NYSE, Toronto Stock Exchange, and TSX Venture Exchange listed companies.

Vincent Garibaldi is a partner at BCF LLP business law team in Montreal, Québec. His practice focusses on mergers, acquisitions, securities, and capital markets. Mr. Garibaldi holds a master's degree in Business Law, Université d'Aix-Marseille, LL.B., Civil Law and a master's degree in Economic Law, Institut de Droit des Affaires d'Aix-en-Provence, France. Mr. Garibaldi is a member of the Paris Bar since 2015 and the Quebec Bar since 2017.

Julien Davy is a professional geologist with exploration and management experience in Canada and abroad. He has been involved in property acquisition, mine investment, and corporate management. He has a master's degree from Université du Québec à Montréal and an MBA from HEC in Montréal. In

2015, Mr. Davy co-founded Eureka Exploration, a private exploration company, which was sold to Tarku Resources Ltd. in June 2017. Since that time, he has been President and CEO of Tarku. Mr. Davy is a former Director of the Quebec Mineral Exploration Association, member of the Ordre des Géologues du Québec and is Qualified Person (QP) according to National Instrument 43-101.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

Other than as set forth below, to the knowledge of the Company, none of the proposed directors:

- (a) is, or during the ten years preceding the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, or during the ten years preceding the date of this Information Circular has been, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Robert Rosner serves as Director, President and Chief Executive Officer of CAT Strategic Metals Corporation (“**CAT**”), a reporting issuer listed on the Canadian Securities Exchange. On May 6, 2019, the British Columbia Securities Commission issued a failure-to-file cease trade order in respect of CAT for failure to file its audited financial statements for the financial year ended December 31, 2018, and related management discussion and analysis and associated certifications. On November 29, 2019, CAT filed its annual audited financial statements for the year ended December 31, 2018, along with the related management discussion and analysis and associated certifications and the cease trade order was revoked on May 1, 2020.

Mr. Rosner serves as President and Chief Executive Officer of 27 Red Capital Inc. (“**27 Red**”), a reporting issuer in the provinces of British Columbia, Alberta, Quebec. On May 6, 2019, the British Columbia Securities Commission issued a failure-to-file cease trade order in respect of 27 Red for failure to file its audited financial statements for the financial year ended December 31, 2018, and related management discussion and analysis and associated certifications. This cease trade order issued against 27 Red remains in effect as of the date of this Information Circular.

Mr. Rosner serves as President and Chief Executive Officer of 4 Touchdowns Capital Inc. ("**4 Touchdowns**"), a reporting issuer in the provinces of British Columbia, Alberta, Quebec. On June 19, 2020, the British Columbia Securities Commission issued a failure-to-file cease trade order in respect of 4 Touchdowns for failure to file its audited financial statements for the financial year ended December 31, 2019, and related management discussion and analysis and associated certifications. These documents were subsequently filed and the cease trade order was revoked on July 23, 2020.

To the knowledge of the Company, none of the proposed directors (or any of their personal holding companies) has been subject to:

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

(b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of the Company in deciding whether to vote for a proposed director.

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer(s)
Robert Rosner	Lucky Minerals Inc.; CAT Strategic Metals Corporation; 27 Red Capital Inc.; 4 Touchdowns Capital Inc.
David Watkinson	Ameriwest Lithium Inc.; Tarku Resources Ltd.
Julien Davy	Tarku Resources Ltd.; CAT Strategic Metals Corporation

EXECUTIVE COMPENSATION

In this section "Named Executive Officer" ("**NEO**") means the Chief Executive Officer ("**CEO**"), the Chief Financial Officer ("**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation was more than \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year.

For purposes of this disclosure, David Watkinson, President and CEO and Robert Rosner, CFO are each a NEO of the Corporation.

Compensation Discussion and Analysis

The Corporate Governance and Compensation Committee (the "**CGCC**") of the Board is responsible for adopting appropriate procedures for executive compensation and making recommendations to the Board with respect to the compensation of the Company's executive officers. The CGCC aims to ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with the Company's compensation philosophy.

The CGCC is also responsible for recommending compensation for the directors and granting stock options to the directors, officers and employees of, and consultants to, the Company pursuant to the Company's stock option plan (the "**Plan**").

All three members of the CGCC are independent. The Board is satisfied that the composition of the CGCC ensures an objective process for determining compensation.

The CGCC operates pursuant to the provisions of the Company's CGCC Charter that was adopted by the Board on October 26, 2021.

The skills and experience of the CGCC that are relevant to their responsibilities in executive compensation include the following:

- Julien Davy is a professional geologist with exploration and management experience in Canada and abroad. He has been involved in property acquisition, mine investment, and corporate management. He has a master's degree from Université du Québec à Montréal and an MBA from HEC in Montréal. In 2015, Mr. Davy co-founded Eureka Exploration, a private exploration company, which was sold to Tarku Resources Ltd. in June 2017. Since that time, he has been President and CEO of Tarku.
- Andrew MacRitchie is a Chartered Professional Accountant and holds a B.Sc. Honours degree from the University of British Columbia. In his role as Chief Financial Officer for Skeena Resources Limited, and other exploration-stage resource companies, and in his capacity as volunteer Treasurer for the Kidney Foundation of Canada, he is and has been responsible for planning, implementing, and executing improvements in corporate governance and compensation practices for over 20 years.
- Vincent Garibaldi, corporate and securities lawyer at BCF LLP business law in Montreal, Québec, holds a Master's Degree in Business Law, Université d'Aix-Marseille, LL.B., Civil Law and a Master Degree in Economic Law, Institut de Droit des Affaires d'Aix-en-Provence, France. Mr. Garibaldi is a member of the Paris Bar since 2015 and the Quebec Bar since 2017.

Philosophy

The philosophy of the Company in determining compensation is that the compensation should: (i) reflect the Company's current state of development; (ii) reflect the Company's performance; (iii) reflect individual performance; (iv) align the interests of executives with those of the shareholders; (v) assist the Company in retaining key individuals; and (vi) reflect the Company's overall financial status.

Compensation Components

The compensation of the NEOs comprises primarily: (i) base salary; and (ii) long-term incentive in the form of stock options granted in accordance with the Plan.

In establishing levels of compensation and granting stock options, the comparable levels of remuneration paid to NEOs of other companies of comparable size and development within the mining exploration and development industry are considered. In establishing NEO remuneration and the granting of stock options, the Company identified three companies which would comprise the benchmark group, consisting of companies about which the Company was knowledgeable, so as to more accurately assess the components of the benchmark in relation to such companies. The components of the benchmark are: market capitalization; number of properties owned or optioned; property activity levels; number of jurisdictions in which the Company is operating; number of employees; condition of balance sheets; compensation and option plans; and planned activities for calendar year. The companies in the benchmark group are at similar stages of development as the Company, and with exploration plans of a similar magnitude in the calendar year as those of the Company. The companies in the benchmark group are Viva Gold Corporation, Globex Mining Enterprises Inc. and Paramount Gold Nevada Corporation.

The CGCC also relies on the experience of its members as officers and directors of other companies in similar lines of business as the Company in assessing compensation levels. Certain of these other companies are noted above. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards for approval of the CGCC.

To date, no specific formulas have been developed to assign a specific weighting to each of these components. Instead, the independent directors consider the Company's performance and determine compensation based on this assessment and the recommendations of the CGCC.

Base Salary

The CGCC and the independent directors approve the salary ranges for the NEOs. The base salary review for each NEO is based on an assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. The CGCC, using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, performs an annual assessment of the compensation of all executive and employee compensation levels.

Stock Option Plan

The Plan was last ratified at the Company's Annual General Meeting held on December 8, 2021. The number of Shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding Shares at the time of the grant. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Shares on a yearly basis or 2% if the Optionee (as defined in the Plan) is engaged in investor relations activities or is a consultant to the Company. Under Exchange policies, all such rolling stock option plans which set the number of Shares issuable under the Plan at a maximum of 10% of the issued and outstanding Shares must be approved and ratified by shareholders on an annual basis.

Options are exercisable over periods of up to five (5) years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's Shares on the Exchange prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board to specify a vesting schedule in its sole discretion. The Plan provides that if a change of control, as defined therein, occurs, all Shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

All options granted to NEOs are recommended by the CGCC and approved by the Board. In monitoring option grants, the CGCC takes into account the level of options granted by comparable companies for similar levels of responsibility and considers each NEO or employee based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value. The CGCC also takes into account previous grants of options-based awards when considering new grants.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the CGCC also makes the following determinations subject to, and in accordance with, the provision of the Plan:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each option; and
- the other material terms and conditions of each option grant.

Option-based awards

The Plan has been and will be used to provide stock options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The CGCC has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards. The full text of the Plan is included in Appendix "B".

Compensation Risk Management

The Board considers the implications of the risks associated with the Company's CGCC Charter and other compensation policies and practices when determining rewards for its officers and directors. The Board intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of both short-term compensation in the form of a base salary/fee and long-term ownership through the grant of stock options. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value.

The Board also has the ability to set out vesting periods in each stock option agreement. As the benefits of such compensation, if any, are not realized by officers and Directors until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company has not adopted a formal policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers.

Summary Compensation Table

The following table, presented in accordance with National Instrument Form 51-102F6V, provides a summary of the compensation paid by the Corporation and/or its subsidiaries to each NEO and director of the Corporation for the two most recently completed financial years ended on December 31, 2021 and 2020. All amounts are in \$US. Options and compensation securities are disclosed under the heading "Outstanding Option Based Awards" of this Information Circular:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽³⁾	Total compensation (\$) ⁽⁴⁾
David. Watkinson ⁽⁵⁾ <i>Director, President & CEO</i>	2021	150,000	Nil	Nil	48,000	Nil	198,000
	2020	150,000	Nil	Nil	48,000	Nil	198,000
Robert Rosner <i>Director, CFO</i>	2021	120,000	Nil	Nil	Nil	Nil	120,000
	2020	120,000	Nil	Nil	Nil	Nil	120,000
Andrew MacRitchie <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Vincent Garibaldi <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Julien ⁽⁶⁾ Davy <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Includes the dollar value of cash and non-cash base salary paid or accrued during a financial year covered. Messrs. Watkinson and Rosner are not remunerated for their participation on the Board.
- (2) Includes medical benefits allowance and vehicle allowance.
- (3) Includes interest paid to the CEO for loans made to the Company.
- (4) These amounts include all amounts set out in the table for each NEO.
- (5) Included in the salary shown for David Watkinson for services as President and CEO and other compensation are allowance and benefits.
- (6) Julien Davy became a Director of the Company in 2020.

Incentive Plan Awards

The Company does not have any incentive plans pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs, nor any share-based award plan under which equity-based instruments that do not have option-like features can be issued.

The Company has the Plan, pursuant to which stock options may be granted to officers, directors, employees and service providers of the Company. See "Stock Option Plan" above.

Outstanding Option-Based Awards

The following table sets forth all compensation securities granted or issued to each of the NEO and directors outstanding at the end of the most recently completed financial year:

Compensation Securities in \$CDN							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price ⁽¹⁾ (\$)	Closing price of security or underlying security on date of grant ⁽¹⁾ (\$)	Closing price of security or underlying security at year end ⁽¹⁾ (\$)	Expiry date
David Watkinson Director, President & CEO	Options	75,000	11/19/2018	C\$1.50	C\$0.60	C\$0.35	11/19/2023
	Options	35,000	5/17/2019	C\$2.00	C\$1.80	C\$0.35	5/17/2024
	Options	87,500	1/30/2020	C\$0.90	C\$0.80	C\$0.35	1/30/2025
	Options	150,000	11/30/2020	C\$0.90	C\$0.80	C\$0.35	11/30/2025
Robert Rosner Director & CFO	Options	30,000	1/19/2018	C\$1.50	C\$0.60	C\$0.35	11/19/2023
	Options	15,000	5/17/2019	C\$2.00	C\$1.80	C\$0.35	5/17/2024
	Options	55,000	1/30/2020	C\$0.90	C\$0.80	C\$0.35	1/30/2025
	Options	120,000	11/30/2020	C\$0.90	C\$0.80	C\$0.35	11/30/2025
Andrew MacRitchie Director	Options	30,000	11/19/2018	C\$1.50	C\$0.60	C\$0.35	11/19/2023
	Options	7,500	5/17/2019	C\$2.00	C\$1.80	C\$0.35	5/17/2024
	Options	47,500	1/30/2020	C\$0.90	C\$0.80	C\$0.35	1/30/2025
	Options	60,000	11/30/2020	C\$0.90	C\$0.80	C\$0.35	11/30/2025
Vincent Garibaldi Director	Options	30,000	11/19/2018	C\$1.50	C\$0.60	C\$0.35	11/19/2023
	Options	7,500	5/17/2019	C\$2.00	C\$1.80	C\$0.35	5/17/2024
	Options	47,500	1/30/2020	C\$0.90	C\$0.80	C\$0.35	1/30/2025
	Options	60,000	11/30/2020	C\$0.90	C\$0.80	C\$0.35	11/30/2025
Julien Davy Director	Options	50,000	11/30/2020	C\$0.90	C\$0.80	C\$0.35	11/30/2025

Notes:

(1) Numbers represent consolidated numbers based on a 10:1 share consolidation effective March 17, 2022.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs

The following compensation securities were exercised by NEOs or director of Emergent in the most recently completed financial year:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
David Watkinson Director, <i>President & CEO</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Robert Rosner <i>Director, CFO</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Andrew MacRitchie <i>Director</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Vincent Garibaldi <i>Director</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Julien Davy <i>Director</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Management Agreements and Termination and Change of Control Benefits

The Company does not have agreements in place with its directors and officers that provide for payment of severance in lieu of notice in the event of termination or deemed termination or failure to renew their respective employment contracts, except as described below.

David Watkinson, President and CEO

The Company employs David Watkinson (the “**Executive**”) under an employment agreement dated July 1, 2018 (the “**Watkinson Agreement**”) pursuant to which he renders services as the President and Chief Executive Officer of the Company. Pursuant to the Watkinson Agreement, the Company agrees to pay the Executive US\$12,500 per month (US\$150,000 per annum) or such greater amount determined periodically by the Board (the “**Base Salary**”). The Company may consider paying a bonus of up to one month’s salary based on the Executive’s performance and the performance of the Company during the year and, in addition, the Company may establish certain milestones and pay the Executive bonus

amounts based on achieving those milestones. The Company agrees to pay the Executive an allowance of US\$2,500 to cover family medical expenses including premiums of any medical and dental plans and a vehicle allowance of US\$1,500.

The employment of the Executive may be terminated, subject to Change of Control and Triggering provisions, in the following manner and in the following circumstances: a) at any time by the Company forthwith, without notice and without pay in lieu of notice, for cause; b) automatically upon the death of the Executive; c) automatically in the event the Executive is subject to any bankruptcy, insolvency or other similar proceeding; d) at any time by notice in writing from the Company to the Executive if the Executive shall become permanently disabled; e) in any other case, by the payment by the Company to the Executive in a lump sum of the equivalent to one and one half (1.5) times his then annual Base Salary plus medical and vehicle allowances (less applicable source deductions), calculated from the date of termination of his employment; or f) by the Executive providing no less than thirty (30) days' notice in writing to the Company.

If a Change in Control occurs and if, in respect of the Executive, a Triggering Event subsequently occurs within one (1) year of the Change in Control, the Executive shall be entitled to elect to terminate his employment with the Company and to receive a payment from the Company in an amount equal to three times his then current annual Base Salary plus Medical and Vehicle Allowances. This shall not apply if such Triggering Event follows a Change in Control which involves a sale of securities or assets of the Company with which the Executive is involved as a purchaser in any manner, whether directly or indirectly (by way of participation in a corporation or partnership that is a purchaser or by provision of debt, equity or purchase-leaseback financing).

A "Change in Control" for the purposes of the Watkinson Agreement means a transaction or series of transactions whereby directly or indirectly: (a) any person or combination of persons obtains a sufficient number of securities of the Company to affect materially the control of the Company; b) the Company shall consolidate or merge with or into, amalgamate with, or enter into a statutory arrangement with, any other person (other than a subsidiary of the Company) or any other person (other than a subsidiary of the Company) shall consolidate or merge with or into, or amalgamate with or enter into a statutory arrangement with, the Company, and, in connection therewith, all or part of the outstanding voting shares shall be changed in any way, reclassified or converted into, exchanged or otherwise acquired for shares or other securities of the Company or any other person or for cash or any other property; or c) there occurs a change in the composition of the Board, which occurs at a single meeting, or a succession of meetings occurring within 6 months of each other, of the shareholders of the Company, whereby such individuals who were members of the Board immediately prior to such meeting or succession of meetings cease to constitute a majority of the Board without the Board, as constituted immediately prior to such meeting, approving of such change.

A "Triggering Event" for the purposes of the Watkinson Agreement means any one of the following events which occurs without the express or implied agreement of the Executive: a) a change (other than those that are clearly consistent with a promotion) in the Executive's position or duties (including any position or duties as a director of the Company), responsibilities (including a change in the person or body to whom the Executive reports at the date of a Change in Control, except if such person or body is of equivalent rank or stature or such change is as a result of the resignation or removal of such person or the persons comprising such body, as the case may be, and who reports to the Executive), title or office in effect immediately prior to a Change in Control; b) a reduction by the Company or any of its subsidiaries of the Executive's salary, benefits or any other form of remuneration or any change in the basis upon which the Executive's salary, benefits or any other form of remuneration payable by the Company or its subsidiaries is determined or any failure by the Company to increase the Executive's salary, benefits or other forms of remuneration payable by the Company or its subsidiaries in a manner consistent (both as

to frequency and percentage increase) with practices in effect immediately prior to a Change in Control or with practices implemented subsequent to a Change in Control with respect to the senior executives of the Company and its subsidiaries, whichever is more favorable to the Executive; c) any failure by the Company or its subsidiaries to continue in effect any benefit, bonus, profit sharing, incentive, remuneration or compensation plan, stock ownership or purchase plan, pension plan or retirement plan in which the Executive is participating or entitled to participate immediately prior to a Change in Control, or the Company or its subsidiaries taking any action or failing to take any action that would materially adversely affect the Executive's participation in or materially reduce his rights or benefits under or pursuant to any such plan, or the Company or its subsidiaries failing to increase or improve such rights or benefits on a basis consistent with practices in effect immediately prior to a Change in Control or with practices implemented subsequent to a Change in Control with respect to the senior executives of the Company and its subsidiaries, whichever is more favorable to the Executive; d) a change in the municipality in which the Executive is regularly required to carry out the terms of his employment with the Company at the date of a Change in Control unless the Executive's terms of employment include the obligation to receive geographic transfers from time to time in the normal course of business; or e) any failure by the Company or its subsidiaries to provide the Executive with the number of paid vacation days to which he was entitled immediately prior to a Change in Control or the Company or its subsidiaries failing to increase such paid vacation on a basis consistent with practices in effect immediately prior to a Change in Control or with practices implemented subsequent to a Change in Control with respect to the senior executives of the Company and its subsidiaries, whichever is more favorable to the Executive; f) the Company or its subsidiaries taking any action to deprive the Executive of any material fringe benefit not hereinbefore mentioned and enjoyed by him immediately prior to a Change in Control, or the Company or its subsidiaries failing to increase or improve such material fringe benefits on a basis consistent with practices in effect immediately prior to a Change in Control or with practices implemented subsequent to a Change in Control with respect to the senior executives of the Company and its subsidiaries, whichever is more favorable to the Executive; g) any material breach by the Company of any provision of the Watkinson Agreement; h) the good faith determination by the Executive that, as a result of a Change in Control or any action or event thereafter, the Executive's status or responsibility in the Company or its subsidiaries have been diminished or the Executive is being effectively prevented from carrying out his duties responsibilities as they existed immediately prior to a Change in Control; i) the failure by the Company to obtain, in a form satisfactory to the Executive, an effective assumption of its obligations hereunder by any successor to the Company, including a successor to a material portion of its business.

In the event that the Executive is entitled to a payment pursuant to Change of Control, any Share Option previously granted to the Executive by the Company or any subsidiary of the Corporation shall become fully vested, in which case the Executive shall be entitled to exercise such Share Option on the terms granted and, notwithstanding any term of the stock option plan to the contrary, the Company shall take all reasonable steps to ensure that the Executive's Share Options shall remain exercisable for the original term granted and shall not terminate due to the termination of the Executive's employment with the Company.

In the event of termination of the Executive with or without cause, and without a Change of Control, the Executive would be entitled to an estimated payout totalling US\$297,000. In the event of termination without cause brought about by a Change of Control and Triggering Event, the Executive would be entitled to an estimated a payout of US\$594,000.

The provisions contained in Change of Control shall terminate on December 31, 2030 unless extended with the mutual agreement of the parties hereto and approved by the Board.

Robert Rosner, CFO

The Company engages Robert Rosner (the "**Consultant**") under a consulting services agreement dated July 16, 2018 (the "**Rosner Agreement**") pursuant to which he renders services as the Chief Financial Officer of the Company. Pursuant to the Rosner Agreement, the Company agrees to pay the Consultant US\$10,000 per month, excluding applicable taxes (the "**Fee**"). The Rosner Agreement continues for a term of 24 months and may be renewed for further 12 month increments by mutual agreement.

The Rosner Agreement may be terminated at any time by: a) the Consultant giving at least 30 days' notice in writing to the Company, for personal reasons only; b) the Company in its sole discretion, by giving at least 30 days' notice in writing to the Consultant, and by paying the Consultant upon delivery of said notice 12 times the monthly Fee amount; c) the Company, at any time by giving notice in writing, upon the occurrence of any of the various events of default (each an "**Event of Default**"). In the Event of Default, the Company shall be obligated to pay any prorated amount due the Consultant to the date of notice but shall have no obligation to pay any additional amount beyond the date of notice; d) by the Company upon a Change of Control, being agreed that, if termination occurs in such Change of Control event, the Consultant shall receive the full 12 times the monthly Fee amount; and e) upon termination of the Rosner Agreement under (b) or (d), the Consultant will have 12 months to exercise any outstanding stock options and, if necessary in order to remain an eligible person under the Company's stock option plan, remain a consultant or advisor to the Company during such 12 month period at a nominal fee rate of US\$1 per month.

The Company agrees that if there is a Change in Control of the Company and the Rosner Agreement is terminated within 12 months of the Change of Control, the Company shall immediately pay to the Consultant in one lump sum payment an amount equal to 12 months of Fees and any other expenses payable under the Rosner Agreement (the "Change of Control Payment").

A "Change in Control" for purposes of the Rosner Agreement will be: a) any change in the holding, direct or indirect, of securities of the Company or of any voting rights attached to any securities of the Company, as a result of which any corporation or other person, or a group of corporations or persons acting in concert, or corporations or persons associated or affiliated with any such corporation, person or group within the meaning of the *Securities Act* (British Columbia), would be entitled to cast more than twenty percent (20%) of the votes attached to all shares of the Company that may be cast to elect directors of the Company; b) any single change in the constitution of the members of the Board, such that there is a change in more than fifty percent (50%) of the directors of the Company; and c) the Company shall consolidate or merge with or into, amalgamate with, or enter into a statutory arrangement with, any other person (other than a subsidiary of the Company) or any other person (other than a subsidiary of the Company) shall consolidate or merge with or into, or amalgamate with or enter into a statutory arrangement with, the Company, and, in connection therewith, all or part of the outstanding voting shares shall be changed in any way, reclassified or converted into, exchanged or otherwise acquired for shares or other securities of the Company or any other person or for cash or any other property.

In the event of termination of the Executive without cause and without a Change of Control, the Executive would be entitled to an estimated payout of US\$120,000. In the event of termination without cause following a Change of Control, the Executive would be entitled to an estimated payout of US\$120,000.

Director Compensation

Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of the Board. The Board may award special remuneration to any director undertaking any special services on behalf of the Company other than services ordinarily required of a director. This is subject to recommendation by the CGCC. As indicated herein, the Chief

Executive Officer and Chief Financial Officer who also serve as directors of the Company received compensation for their services as officers.

No amounts of compensation were provided to the directors who are not NEOs for the Company's most recently completed financial year, other than options pursuant to the Plan or the bonus payments outlined above.

Incentive Plan Awards - Outstanding Option-Based Awards

The Company does not have an incentive plan pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded to directors.

The Plan provides for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders. See "Stock Option Plan" above.

The table under the heading "Outstanding Option-Based Awards" on page 10 sets out all option-based awards outstanding to directors who are not also NEOs as at the end of the last financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year, December 31, 2021:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (\$CDN) (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)⁽¹⁾ (c)
Equity compensation plans approved by shareholders	1,275,500	C\$1.10	86,322
Equity compensation plans not approved by shareholders	Nil	Nil	Nil
Total	1,275,500	C\$1.10	86,322

(1) As at December 31, 2021, total number of securities issued by the Company was 13,618,221. The total number of securities available for issue under the 10% rolling Stock Option Plan was 1,361,822. 1,275,500 options had been awarded to Directors, Officers, employees, and consultants of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at May 24, 2022, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which indebtedness is owing to another entity and is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, whether entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

whether in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the company 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.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed director of the Company, and no associate or affiliate of such persons, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITORS

MNP LLP, Chartered Professional Accountants, of Suite 1300, 1055 Dunsmuir Street, Box 49148, Vancouver, B.C. V7X 1J1, are the auditor of the Company. Unless otherwise instructed, **the proxies given pursuant to this solicitation will be voted for the appointment MNP LLP, Chartered Professional Accountants**, as the independent auditor of the Company to hold office for the ensuing year at remuneration to be fixed by the Board.

MANAGEMENT CONTRACTS

Except as set out herein, no management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company.

AUDIT COMMITTEE

The Audit Committee Charter may be found in Schedule "A".

Composition of the Audit Committee

The following are the members of the Audit Committee:

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Andrew MacRitchie (Chair)	Independent	Financially Literate
Julien Davy	Independent	Financially Literate
Vincent Garibaldi	Independent	Financially Literate

⁽¹⁾ As defined by National Instrument 52-110 ("**NI 52-110**").

Relevant Education and Experience

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

The members of the Audit Committee are as follows:

Andrew MacRitchie (Chair) is a Chartered Professional Accountant and holds a B.Sc. Honours degree from the University of British Columbia. He is Chief Financial Officer of Skeena Resources Limited. Andrew articulated with PricewaterhouseCoopers. He has over 20 years of experience in the mining industry.

Julien Davy is a professional geologist with exploration and management experience in Canada and abroad. He has been involved in property acquisition, mine investment, and corporate management. He has a master's degree from Université du Québec à Montréal and an MBA from HEC in Montréal. In 2015, Mr. Davy co-founded Eureka Exploration, a private exploration company, which was sold to Tarku Resources Ltd. in June 2017. Since that time, he has been President and CEO of Tarku.

Vincent Garibaldi is a corporate and securities lawyer at BCF LLP business law in Montreal, Québec, and holds a Master's Degree in Business Law, *Université d'Aix-Marseille*, LL.B., Civil Law, and a Master Degree in Economic Law, *Institut de Droit des Affaires d'Aix-en-Provence*, France. Mr. Garibaldi is a member of the Paris Bar since 2015 and the Quebec Bar since 2017.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in Section 4.1 of the Audit Committee Charter attached hereto as Schedule "A".

External Auditors Service Fees (By Category)

The following table discloses the aggregate fees billed for each of the last two fiscal years for professional services rendered by the Company's audit firm for various services:

Services:	Years Ended December 31,	
	2021 (C\$)	2020 (C\$)
Audit Fees	42,693	37,450
Audit-related Fees ⁽¹⁾	-	-
Tax Fees	2,675	2,675
All Other Fees	-	-
Total	45,368	40,125

(1) "Audit-Related Fees" includes services that are traditionally performed by the auditor.

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

A summary of the responsibilities and activities and the membership of each committee of the Board is set out below.

National Policy 58-201 respecting Corporate Governance Guidelines establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 respecting Disclosure of Corporate Governance Practices mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board consists of five (5) directors, three (3) of whom are independent based upon the tests for independence set forth in NI 52-110 respecting Audit Committees. Andrew MacRitchie, Vincent Garibaldi, and Julien Davy are considered independent. David Watkinson and Robert Rosner are not independent as both have been an officer of the Company within the last three (3) years.

Management Supervision by Board

The CEO and CFO report upon the operations of the Company to the Board at Board meetings held on a quarterly basis. At this time, quarterly financial and management discussion and analysis documents are reviewed and approved by the Board. This allows the independent directors to review the operations of the Company on a regular basis.

In addition, the CEO & Chairman schedule Board meetings by conference call with Board members as required to inform them of activities by the Company and to obtain approval for decisions requiring Board approval. The CEO & Chairman also schedule additional conference calls with the Board members to keep them informed and updated on of the Companies activities. Board resolutions are prepared by the management team and distributed to the Board to obtain approval for certain decisions in lieu of obtaining Board approval by means of a meeting. The Board also meets as part of the Annual General Meeting of shareholders of the Company.

Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

Board Mandate

The Board has adopted a Board of Directors Mandate as of October 26, 2021.

Audit Committee and Corporate Governance and Compensation Committee Charters

The Board appoints two committees and chairs of each of its committees and has adopted Charters for each committee.

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. The Company has not taken any additional measures to provide continuing education for directors.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Ethical matters are addressed in the Company's "Code of Business Conduct and Ethics" that was adopted by the Board on October 26, 2021.

Nomination of Directors

The members of the CGCC are Julien Davy (Chair), Andrew MacRitchie and Vincent Garibaldi. The CGCC has responsibility for identifying potential Board candidates in the nomination process, all in accordance with the provisions of the CGCC Charter. The CGCC assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence, and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

Compensation of Directors and the CEO

The CGCC has responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the CGCC reviews compensation paid for directors and CEOs of companies of similar size and stage of development in the mining industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the CGCC annually reviews the performance of the CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors, and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors, receives input from the CGCC on its assessment of the functioning of the Board and input from each of the CGCC and Audit Committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

Corporate Governance and Compensation Committee

The CGCC was formed for making recommendations to the Board with respect to developments in the area of corporate governance, the practices of the Board, and appropriate candidates for nomination to the Board and for evaluating the performance of the Board.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

(a) Approval and Ratification of Amended 10% Rolling Stock Option Plan

The Board implemented the Plan effective April 29, 2005, which was accepted by the Exchange and has been ratified yearly by shareholders at the Company's annual general meetings. The Plan is attached in Schedule "B".

There have been no changes to the Plan since it was ratified at the annual meeting of shareholders held December 8, 2021.

Specifically, the number of Shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding Shares at the time of the grant. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Shares on a yearly basis or 2% if the Optionee is engaged in investor relations activities or is a consultant. Under Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding Shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The stock option plan of the Company is hereby ratified, affirmed and approved and shall continue and remain in effect until such time as further ratification is required pursuant to the rules of the TSX-V or other applicable regulatory requirements.
2. Any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments, whether under the seal of the Company or otherwise, and to do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution."

The purpose of the Plan is to allow the Company to grant options to directors, officers, employees and consultants, as an incentive for performance, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's Shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board to specify a vesting schedule in its discretion. The Plan provides that if a change of

control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The full text of the Plan will be available for review at the Meeting and is attached in Schedule B.

The resolution requires the affirmative vote of a simple majority of votes cast on the resolution at the Meeting.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com and on Emergent's website at www.emergentmetals.com. Shareholders may contact the Company at 866-497-0284 to request copies of the Company's financial statements and related MD&A and they are also available at the websites above.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, as updated by the subsequent quarterly financial statements, all of which are filed on SEDAR and available at www.sedar.com.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 24th day of May, 2022.

APPROVED BY THE BOARD OF DIRECTORS

"David Watkinson"

DAVID WATKINSON

President, CEO, Chairman and Director

Schedule "A"

EMERGENT METALS CORP. AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Emergent Metals Corp. (the "**Company**"). The primary function of the Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes.

Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to: (a) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (b) review and appraise the performance of the Company's external auditor; and (c) provide an open avenue of communication among the Company's external auditor, financial and senior management and the Board.

2. Composition

- 2.1 The Committee shall be comprised of at least three (3) directors, selected by the Board, the majority of whom must be independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements ("**Applicable Laws**"). For the purposes of this Charter, the terms "**independent**" and "**financially literate**" have the meaning ascribed to such terms by Applicable Laws.
- 2.2 The Board, at its first meeting following the annual shareholders' meeting, shall appoint the members of the Committee. Unless a Chair is elected by the full board of directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. Meetings & Approvals

- 3.1 The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.
- 3.2 The meetings will take place as the Committee or Chair of the Committee shall determine, upon at least 48 hours' notice to each of its members. The notice period may be waived by a quorum of the Committee.
- 3.3 The Committee may ask members of management or others to attend meetings or to provide information as necessary.
- 3.4 The quorum for the transaction of business at any meeting shall be a majority of the members of the Committee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

- 3.5 Decisions by the Committee will be by the affirmative vote of a majority of the members of the Committee present, or by consent resolutions in writing signed by each member of the Committee.
- 3.6 The Committee shall prepare and maintain minutes of its meetings and periodically report to the Board regarding such matters as are relevant to the Committee's discharge of its responsibilities and shall report in writing on request of the Chair of the Board.

4. Responsibilities and Duties

- 4.1 To fulfil its responsibilities and duties, the Committee shall be responsible for:
 - (a) assisting the Board in fulfilling its fiduciary responsibilities relating to the Company's accounting and reporting practices and the integrity of the Company's internal accounting controls and management information systems;
 - (b) managing the relationship with the external auditor by:
 - (i) recommending to the Board the external auditor to be nominated and the compensation of the external auditor;
 - (ii) having the external auditor report directly to the Committee;
 - (iii) overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting; and
 - (iv) pre-approving non-audit services;
 - (c) reviewing with the external auditor and management and recommending to the Board for approval:
 - (i) any audited financial statement of the Company, including any such statement that is to be presented to an annual general meeting or provided to shareholders or filed with regulatory authorities and including any audited financial statement contained in a prospectus, registration statement or other similar document; and
 - (ii) the financial disclosure in each Annual Report and Management's Discussion and Analysis of the Company ("MD&A") which accompanies such audited financial statement and in each such filing, prospectus, registration statement or other similar document;
 - (d) reviewing with management of the Company and recommending to the Board for approval:
 - (i) any unaudited financial statement of the Company, including any such statement that is to be presented to an annual general meeting or provided to shareholders or filed with regulatory authorities and including any unaudited financial statement contained in a prospectus, registration statement, Quarterly Report or other similar document;
 - (ii) the financial disclosure in each Quarterly Report and when applicable, MD&A accompanying such unaudited financial statement and in each such filing, prospectus, registration statement or other similar document which accompanies such unaudited financial statement; and
 - (iii) the Company's compliance with legal and regulatory requirements;

- (e) reviewing and pre-approving all press releases containing annual or interim financial information before the Company publicly discloses this information to the public;
- (f) satisfying itself that adequate measures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in (e) above, and must periodically assess the adequacy of those procedures;
- (g) reviewing and approving the hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (h) reviewing as required and reporting to the Board with respect to the adequacy of internal accounting and audit procedures and the adequacy of the Company's management information systems;
- (i) ensuring that no restrictions are placed by management on the scope of the external auditor's review and examination of the Company's accounts;
- (j) ensuring that methods are in place to allow any director, officer, employee or contractor to bring concerns regarding accounting, internal accounting controls or auditing matters to the attention of the Committee and that those who do so are provided protection from any retaliatory action whatsoever. The Chair of the Committee shall be designated as the person to whom such concerns should be addressed and is responsible for ensuring that such concerns are handled promptly, confidentially (potentially anonymously) and appropriately;
- (k) reviewing on an annual basis the adequacy of this Charter and recommending appropriate revisions to the Board; and
- (l) meeting regularly at such times and places, engaging such advisors at the expense of the Company and undertaking such interviews and inquiries as the Committee sees fit for the purpose of carrying out this Charter.

5. Other Responsibilities

- 5.1 The Committee shall review with management the Company's financial fraud risk assessment, including an annual review of the top fraud risks identified by management, and the policies and practices adopted by the Company to mitigate those risks.
- 5.2 The Committee shall review for fairness any proposed related-party transactions and make recommendations to the Board whether any such transactions should be approved.
- 5.3 The Committee may retain and terminate the services of outside specialists, counsel, accountants or other consultants and advisors to the extent it deems appropriate and shall have the sole authority to approve their fees and other retention terms.
- 5.4 The Committee may perform other activities related to this Charter, as requested by the Board.

Approved and adopted by the Board on October 26, 2021

Schedule B
EMERGENT METALS CORP.
STOCK OPTION PLAN
(10% Rolling)

ARTICLE ONE
DEFINITIONS AND INTERPRETATIONS

Section 1.01 Definitions: For purposes of the plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:

- (a) "Black-out Period" means a period of time during which the Company has imposed a prohibition or restriction on trading securities of the Company pursuant to the policies of the Company;
- (b) "Committee" shall mean the Directors or, if the Directors so determine in accordance with Section 2.03 of the Plan, the committee of the Directors authorized to administer the Plan;
- (c) "Common Shares" shall mean the common shares of the Corporation, as adjusted in accordance with the provisions of Article Six of the Plan;
- (d) "Corporation" shall mean Emergent Metals Corp., a corporation incorporated pursuant to the provisions of the British Columbia Business Corporations Act
- (e) "Directors" shall mean the directors of the Corporation from time to time;
- (f) "Eligible Directors" shall mean the Directors or the directors of any subsidiary of the Corporation from time to time who, by the nature of their positions are, in the opinion of the Committee, in a position to contribute to the success of the Corporation;
- (g) "Eligible Employees" shall mean employees, (including any "Management Company Employee", as that term is defined in the TSX Policies) including officers, whether Directors or not, and including both full-time and part-time employees, of the Corporation or any subsidiary of the Corporation who, by the nature of their positions or jobs are, in the opinion of the Committee, in a position to contribute to the success of the Corporation;
- (h) "Employment Contract" means any contract between the Corporation or any subsidiary of the Corporation and any Eligible Employee or other Participant relating to, or entered into in connection with, the employment of the Eligible Employee or the engagement of the Other Participant;
- (i) "Option" shall mean an option to purchase Common Shares granted pursuant to, or governed by, the Plan;
- (j) "Optionee" means a Participant to whom an Option has been granted pursuant to the Plan;
- (k) "Option Period" shall mean the period of time during which the particular Option may be exercised;
- (l) "Other Participants" shall mean any person or corporation engaged to provide ongoing management or consulting services for the Corporation or for any entity controlled by the

Corporation, (including any "Consultant" as that term is defined in the TSX Policies) other than an Eligible Director or an Eligible Employee;

- (m) "Participant" shall mean each Eligible Director, Eligible Employee and Other Participant;
- (n) "Plan" shall mean this stock option plan;
- (o) "TSX Insider" shall mean
 - (i) an insider of the Corporation, other than a person who is an insider of the Corporation solely by virtue of being a director or senior officer of a subsidiary of the Corporation; and
 - (ii) an associate of any person who is an insider of the Corporation within the meaning of paragraph (i) of this definition; and
- (p) "TSX Policies" means the policies included in the TSX Venture Exchange Corporate Finance Manual and "TSX Policy" means any one of them;
- (q) "TSX" means the TSX Venture Exchange;
- (r) "U.S. Act" means the Securities Act of 1933 of the United States, as amended.

Section 1.02 Securities Definitions: In the Plan, the terms "associate", "subsidiary" and "insider" shall have the meanings given to such terms in the Securities Act (British Columbia).

Section 1.03 Headings: The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

Section 1.04 Context, Construction: Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

Section 1.05 References to the Plan: The words "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.

Section 1.06 Canadian Funds: Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada.

ARTICLE TWO PURPOSE AND ADMINISTRATION OF THE PLAN

Section 2.01 Purpose of the Plan: The Plan provides for the grant of Options to Participants for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key employees and directors of the Corporation and subsidiaries of the Corporation and to secure for the Corporation and the shareholders of the Corporation the benefits inherent in the ownership of Common Shares by key employees and directors of the Corporation and subsidiaries of the Corporation, it being generally recognized that stock option plans aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

Section 2.02 Administration of the Plan. The Plan shall be administered by the Committee and the Committee shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Committee may deem necessary in order to comply with the requirements of the Plan.

All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made. The appropriate officers of the Corporation are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Corporation.

Section 2.03 Delegation to Committee: All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than three Directors.

Section 2.04 Record Keeping: The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each Optionee;
- (b) the number of Common Shares subject to Options granted to each Optionee; and
- (c) the aggregate number of Common Shares subject to Options.

Section 2.05 Previously Granted Options: The outstanding options to purchase Common Shares granted by the Corporation to Participants before the date on which this Plan shall become effective shall continue to be exercisable, shall be governed by and be subject to the Plan and shall be deemed to be Options granted under the Plan. However, to the extent that the terms and conditions of any such option are inconsistent with the terms and conditions of the Plan, the terms and conditions of such option shall govern.

ARTICLE THREE ELIGIBILITY AND PARTICIPATION IN THE PLAN AND GRANT OF OPTIONS

Section 3.01 Eligibility: Options shall only be granted to Participants.

Section 3.02 Determination of Option Recipients: The Committee shall from time to time determine the Participants to whom Options shall be granted, the number of Common Shares to be made subject to and the expiry date of each option granted to each Participant and the other terms of each Option granted to each Participant, all such determinations to be made in accordance with the terms and conditions of the Plan, and the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Corporation and any other factors which the Committee deems appropriate and relevant. Each Option granted to a Participant shall be evidenced by a stock option agreement containing terms and conditions consistent with the provisions of the Plan, which terms and conditions need not be the same in each case. For Options granted to Employees, Consultants or Management Company Employees the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

ARTICLE FOUR NUMBER OF COMMON SHARES SUBJECT TO THE PLAN, EXERCISE PRICE AND TERM OF OPTIONS

Section 4.01 Number of Shares: The maximum number of Common Shares which may be made subject to Options at any time and from time to time shall not exceed 10% of the total number of Common Shares then outstanding on a non-diluted basis, subject to adjustment in accordance with Article Six of the Plan. In addition, the maximum number of Common Shares which, together with Common Shares subject to a security-based compensation arrangement (within the meaning of the policy on security based compensation arrangements of the TSX) with such Participant or Participants, as the case may be:

- (a) reserved for issue pursuant to Options granted to Participants who are TSX Insiders shall not exceed 10% of the number of Common Shares then outstanding;
- (b) issued pursuant to the exercise of Options granted to Participants who are TSX Insiders within a one-year period shall not exceed 10% of the number of Common Shares then outstanding;
- (c) issued pursuant to the exercise of Options granted to any one Participant who is a TSX Insider and the associates of such Participant within a one-year period shall not exceed 5% of the number of Common Shares then outstanding;
- (d) reserved for issue pursuant to Options granted to any one Participant in any 12 month period shall not exceed 5% of the number of Common Shares then outstanding;
- (e) reserved for issue pursuant to Options granted to any one Consultant in any 12 month period shall not exceed 2% of the number of Common Shares then outstanding; and
- (f) no more than an aggregate of 2% of the issued shares of the Corporation may be granted to all Participants conducting Investor Relations Activities, in any 12 month period.

For purposes of this Section 4.01 (a) through (f), the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable option. If Options are exercised, or are surrendered, terminate or expire without being exercised in whole or in part, the Common Shares which were the subject of such Options may again be made subject to an Option.

Section 4.02 Exercise Price: The price per share at which any Common Share which is the subject of an Option may be purchased shall be determined by the Directors at the time the Option is granted, provided that such price shall be not less than the closing price of the Common Shares on the TSX prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX. or if the Common Shares are not then listed on the TSX, on the most senior of any other exchange on which the Common shares are then traded, on the last trading day immediately preceding the date of grant of such Option.

Section 4.03 Term of Options: The Option Period for each Option shall be such period of time as shall be determined by the Committee, subject to any Employment Contract, provided that no Option Period shall exceed 5 years and further provided that if the expiry date of any Option occurs during or within five (5) trading days following a Black-Out Period, the expiry date of such Option shall be deemed to automatically adjust such that the expiry date is ten (10) trading days following the date on which such

Black-Out Period ends. The Committee may determine the number or percentage of Common Shares which may be purchased by an Optionee during any particular time period within the Option Period.

Section 4.04 Vesting: Options issued to Participants performing Investor Relations Activities must vest in stages over 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.

ARTICLE FIVE EXERCISE OF OPTION, EFFECT OF DEATH AND TERMINATION OF EMPLOYMENT AND WITHHOLDING TAXES

Section 5.01 Exercise of Option:

(a) **Exercise**: Subject to any restriction on the number or percentage of Common Shares which may be purchased by the Optionee during any particular time period within the Option Period determined by the Committee, an Option may be exercised by the Optionee in whole at any time, or in part from time to time, during the Option Period, provided however that, except as otherwise specifically provided in Section 5.02 or Section 5.03 hereof or in any Employment Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

(i) in the case of an Eligible Employee, in the employment of the Corporation or a subsidiary of the Corporation and has been continuously so employed since the date of grant of such option, provided however that a leave of absence with the approval of the Corporation or such subsidiary of the Corporation shall not be considered an interruption of employment for purposes of the Plan;

(ii) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Corporation or a subsidiary of the Corporation and has been such a director continuously since the date of grant of such Option; and

(iii) in the case of an Other Participant, engaged in providing ongoing management or consulting services for the Corporation or an entity controlled by the Corporation and has been so engaged since the date of grant of such Option.

(b) **Payment of Exercise Price**: The exercise of any Option shall be contingent upon receipt by the Corporation of payment of the aggregate purchase price by cash, certified cheque or bank draft for the Common Shares in respect of which the Option has been exercised. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optionee was granted an Option, unless and until certificates for such Common Shares are issued to such Optionee, or them, under the terms of the Plan. Subject to Section 9.04 hereof, upon an Optionee exercising an Option and paying the Corporation the aggregate purchase price for the Common Shares by cash, certified cheque or bank draft in respect of which the Option has been exercised, the Corporation shall as soon as practicable issue and deliver a certificate representing the Common Shares so purchased.

Section 5.02 Effect of Death: If a Participant shall die while an Optionee, any Option held by such Optionee at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the Optionee or the laws of descent and distribution for a period of one year after the date of death of the Optionee or prior to the expiration of the Option Period in respect of the Option, whichever is sooner, and then only to the extent that such Optionee was entitled to exercise the Option at the date of death of such Optionee, subject to the provisions of any Employment Contract.

Section 5.03 Effect of Termination of Employment: If an Optionee shall cease to be a Participant for cause, no Option held by such Optionee shall be exercisable following the date on which such Optionee ceases to be a Participant. If an Optionee ceases to be a Participant for any reason other than for cause or by virtue of death, any Option held by such Optionee at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 30 days for a Participant who is employed to provide Investor Relations Activities and 90 days for other Participants, after the date on which the Optionee ceases to be a Participant or prior to the expiration of the Option Period in respect of the Option, whichever is sooner, and then only to the extent that such Optionee was entitled to exercise the Option at such time, subject to the provisions of any Employment Contract.

Section 5.04 Withholding Taxes: The Corporation or any subsidiary of the Corporation may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Corporation or any subsidiary of the Corporation is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Option including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise of any Option until such time as the Optionee has paid the Corporation or any subsidiary of the Corporation for any amount which the Corporation or subsidiary of the Corporation is required to withhold with respect to such taxes.

ARTICLE SIX CAPITAL CHANGES

Section 6.01 Capital Changes: In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Directors in:

- (a) the number of Common Shares available under the Plan;
- (b) the number of Common Shares subject to Options; and
- (c) the exercise price of the Common Shares subject to Options.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of the Plan.

Section 6.02 Amalgamation, Consolidation or Merger: If the Corporation amalgamates with, consolidates with or merges with or into, or participates in a statutory arrangement with, another corporation, any Common Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would have received upon such amalgamation, consolidation, merger or arrangement had the Option been exercised prior to such event becoming effective.

ARTICLE SEVEN WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA

Section 7.01 Withholding Taxes: The Corporation or any subsidiary of the Corporation may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Corporation

or any subsidiary of the Corporation is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Option including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise of any Option until such time as the Optionee has paid the Corporation or any subsidiary of the Corporation for any amount which the Corporation or subsidiary of the Corporation is required to withhold with respect to such taxes.

Section 7.02 Securities Laws of the United States of America: Neither the Options which may be granted pursuant to the provisions of the Plan nor the Common Shares which may be purchased pursuant to the exercise of Options have been registered under the U.S. Act, or under any securities law of any state of the United States of America. Accordingly, any Optionee who is granted an Option in a transaction which is subject to the U.S. Act or the securities laws of any state of the United States of America shall represent, warrant, acknowledge and agree in the agreement containing the Option granted to the Optionee that:

- (a) the Optionee is acquiring the Option and any Common Shares acquired upon the exercise of such Option as principal and for the account of the Optionee;
- (b) in granting the Option and issuing the Common Shares to the Optionee upon the exercise of such Option, the Corporation is relying on the representations and warranties of the Optionee contained in the agreement relating to the Option to support the conclusion of the Corporation that the granting of the Option and the issue of Common Shares upon the exercise of such Option do not require registration under the U.S. Act or to be qualified under the securities laws of any state of the United States of America;
- (c) each certificate representing Common Shares issued upon the exercise of such Option shall bear the following legends:

"THE COMMON SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (C) WITH THE PRIOR WRITTEN CONSENT OF THE CORPORATION, PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS."

"THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT GOOD DELIVERY OF THE COMMON SHARES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.

A CERTIFICATE WITHOUT A LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT FOR THE COMMON SHARES OF THE CORPORATION IN CONNECTION WITH A SALE OF THE COMMON SHARES REPRESENTED HEREBY UPON DELIVERY OF THIS CERTIFICATE AND AN EXECUTED DECLARATION BY THE SELLER, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.";

provided that if such Common Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Act the foregoing legends may be removed by providing a written declaration by the holder to the registrar and transfer agent for the Common Shares to the following effect:

"The undersigned (a) represents and warrants that the sale of the securities of Emergent Metals Corp. (the "Corporation") to which this declaration relates is being made in compliance with Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (b) certifies that (1) the undersigned is not an affiliate of the Corporation as that term is defined in the U.S. Securities Act, (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the undersigned and any person acting on behalf of the undersigned reasonably believe that the buyer was outside the United States (b) the transaction was executed on or through the facilities of the TSX or The Toronto Stock Exchange and neither the undersigned nor any person acting on behalf of the undersigned knows that the transaction has been prearranged with a buyer in the United States, and (3) neither the undersigned nor any affiliate of the undersigned nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act".

(d) other than as contemplated by Section 7.02(c) hereof, prior to making any disposition of any Common Shares acquired pursuant to the exercise of such Option which might be subject to the requirements of the U.S. Act, the Optionee shall give written notice to the Corporation describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Corporation to determine whether registration under the U.S. Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;

(e) other than as contemplated by Section 7.02(c) hereof, the Optionee will not attempt to effect any disposition of the Common Shares owned by the Optionee and acquired pursuant to the exercise of such Option or of any interest therein which might be subject to the requirements of the U.S. Act in the absence of an effective registration statement relating thereto under the U.S. Act or an opinion of counsel satisfactory in form and substance to counsel for the Corporation that such disposition would not constitute a violation of the U.S. Act or any securities laws of any state of the United States of America and then will only dispose of such Common Shares in the manner so proposed;

(f) the Corporation may place a notation on the records of the Corporation to the effect that none of the Common Shares acquired by the Optionee pursuant to the exercise of such Option shall be transferred unless the provisions of the Plan have been complied with; and

(g) the effect of these restrictions on the disposition of the Common Shares acquired by the Optionee pursuant to the exercise of such Option is such that the Optionee may not be able to sell or otherwise dispose of such Common Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Act other than as contemplated by Section 7.02(c) hereof.

ARTICLE EIGHT EFFECTIVE TIME OF PLAN, AMENDMENT OF PLAN AND TERMINATION OF PLAN

Section 8.01 Effective Time of Plan: The Plan shall become effective upon the later of the date of the date determined by the Directors and the approval of the shareholders of the Corporation given by the affirmative vote of a majority of the Common Shares represented at the meeting of the shareholders of the Corporation at which a motion to approve the Plan is presented and voted on such motion.

Section 8.02 Amendment of Plan: The Directors may from time to time in the absolute discretion of the Directors amend, modify and change the provisions of the Plan, provided that any amendment, modification or change of the provisions of the Plan which would:

- (a) materially increase the benefits under the Plan;
- (b) increase the number of Common Shares, other than by virtue of Article Six of the Plan, which may be issued pursuant to the exercise of Options granted pursuant to the Plan; or
- (c) materially modify the requirements as to eligibility for participation in the Plan;

shall only be effective upon such amendment, modification or change being approved by the shareholders of the Corporation in a manner similar to the approval contemplated by Section 8.01 of the Plan. Any amendment, modification or change of any provision of the Plan shall be subject to approval, if required, by any regulatory body having jurisdiction. Disinterested Shareholder approval will be obtained for any reduction in the exercise price of any Option if the Optionee is an Insider of the Corporation at the time of the proposed reduction.

Section 8.03 Termination of the Plan: The Plan may be terminated at any time by the Directors. Notwithstanding the termination of the Plan, any Option outstanding under the Plan at the time of termination shall remain in effect until such Option has been exercised, has expired, has been surrendered to the Corporation or has been terminated.

ARTICLE NINE MISCELLANEOUS PROVISIONS

Section 9.01 Non-Assignable: No rights under the Plan and no Option awarded pursuant to the provisions of the Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

Section 9.02 Rights as a Shareholder: No Optionee shall have any rights as a shareholder of the Corporation with respect to any Common Shares which are the subject of an Option. No Optionee shall be entitled to receive, and no adjustment shall be made for, any dividends, distributions or other rights declared for shareholders of the Corporation for which the record date is prior to the date of exercise of any Option.

Section 9.03 No Contract of Employment: Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of the Corporation or any subsidiary of the Corporation nor interfere or be deemed to interfere in any way with any right of the Corporation or any subsidiary of the Corporation to discharge any Participant at any time for any reason whatsoever, with or without cause.

Section 9.04 Necessary Approvals: The obligation of the Corporation to grant any Option pursuant to the Plan and to issue, sell and deliver any Common Shares on the exercise of an Option is subject to the approval of any governmental authority or regulatory body required in connection with the grant of such Option or the issue, sale and delivery of such Common Shares by the Corporation.

In the event that any Common Shares cannot be issued to any Optionee pursuant to the exercise of an Option for any reason whatsoever including, without limiting the generality of the foregoing, the failure to obtain any required approval, then the obligation of the Corporation to issue such Common Shares shall terminate and any money paid to the Corporation in connection with the exercise of such Option shall be returned to the Optionee without interest or deduction.

Section 9.05 No Representation or Warranty: The Corporation makes no representation or warranty as to the value of any Option granted pursuant to the Plan or as the future value of any Common Shares issued pursuant to the exercise of any Option.

Section 9.06 Compliance with Applicable Law: If any provision of the Plan or any Option contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

Section 9.07 Applicable Law: The Plan and all of the rights and obligations arising herefrom shall be interpreted and applied in accordance with the laws of the Province of British Columbia.

