

# **EMERGENT METALS CORP.**

## **Notice of Annual General Meeting of Shareholders**

to be held on Wednesday, June 14, 2023 at 10:00 AM  
(Vancouver Time)

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

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## **Management Information Circular**

Dated as at May 10, 2023

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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 10, 2023, 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 Wednesday, June 14, 2023, 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 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 27,195,337 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<sup>(1)</sup></i>
David Watkinson California, USA <i>President, Chief Executive Officer &amp; Director</i>	October 16, 2007	President and CEO of Emergent Metals Corp., President and CEO of Ameriwest Lithium Inc.	588,500
Andrew MacRitchie <sup>(2,3)</sup> 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, CFO of Fairchild Gold Corp.	286,500
Vincent Garibaldi <sup>(2,3)</sup> Montreal, Quebec <i>Director</i>	August 2, 2018	Lawyer, Partner, BCF LLP	Nil

<b>Name, Jurisdiction of Residence and Position</b>	<b>Director Since</b>	<b>Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years</b>	<b>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(1)</sup></b>
Julien Davy <sup>(2,3)</sup> Montreal, Quebec <i>Director</i>	December 7, 2020	President and CEO of Tarku Resources Ltd.	88,500

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:**

**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., Director and CFO of Fairchild Gold Corp. (TSXV:FAIR), 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 ("TSXV") 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. Fairchild Gold Corp.
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, together with any bonuses as determined by the CGCC; (ii) an allowance for medical expenses and vehicle in the case of the CEO; and (iii) 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 Paramout 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 Company recently adopted a new “rolling” stock option plan (the “**New Option Plan**”) under which stock options up to a maximum of 10% of the Company’s issued and outstanding share capital can be granted to directors, officers and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value.

The New Option Plan was adopted by the Board on January 4, 2023 and is being presented to the Shareholders at the Meeting for approval. Refer to “Approval of Incentive Stock Option Plan” under “Particulars of Other Matters to be Acted Upon” for further details about the New Option Plan.

All option grants 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 other optionees 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 New Option 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 TSXV and, if applicable, any other stock exchange on which the Company's shares are listed, 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 New Option Plan is included in Schedule "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 the vesting period(s) expire, 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 three most recently completed financial years ended on December 31, 2022 and 2021. 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 (\$) <sup>(1)</sup>	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(2)</sup>	Value of all other compensation (\$) <sup>(3)</sup>	Total compensation (\$) <sup>(4)</sup>
David Watkinson <sup>(5)</sup> <i>Director, President &amp; CEO</i>	2022	120,000	Nil	Nil	78,000	Nil	198,000
	2021	120,000	Nil	Nil	78,000	Nil	198,000
	2020	120,000	Nil	Nil	78,000	Nil	198,000
Robert Rosner <i>Director, CFO</i>	2022	120,000	Nil	Nil	Nil	Nil	120,000
	2021	120,000	Nil	Nil	Nil	Nil	120,000
	2020	120,000	Nil	Nil	Nil	Nil	120,000
Andrew MacRitchie <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Vincent Garibaldi <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Julien Davy <i>Director</i>	2022	Nil	Nil	Nil	Nil	Nil	Nil
	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.

**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 <sup>(1)</sup> (\$)	Closing price of security or underlying security on date of grant <sup>(1)</sup> (\$)	Closing price of security or underlying security at year end <sup>(1)</sup> (\$)	Expiry date
David Watkinson Director, <i>President &amp; CEO</i>	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 <i>Director &amp; CFO</i>	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 <i>Director</i>	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 <i>Director</i>	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 <i>Director</i>	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 &amp; CEO</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Robert Rosner Director, <i>CFO</i>	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Andrew MacRitchie Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Vincent Garibaldi Director	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Julien Davy Director	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 agreed 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 agreed 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 (as hereinafter defined), 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 stock option previously granted to the Executive by the Company or any subsidiary of the Company shall become fully vested, in which case the Executive shall be entitled to exercise such stock 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 stock 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 is 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 of the Company, 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.

### **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 11 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, 2022:

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

(1) As at December 31, 2022, total number of securities issued by the Company was 27,170,337. The total number of securities available for issue under the 10% rolling Stock Option Plan was 2,717,034.

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

As at May 10, 2023, 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 <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
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,	
	2022 (C\$)	2021 (C\$)
Audit Fees	45,000	42,693
Audit-related Fees <sup>(1)</sup>	-	-
Tax Fees	2,000	2,675
All Other Fees	-	-
Total	47,000	45,368

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

## **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

### Approval of Incentive Stock Option Plan

The Company recently adopted a new "rolling" stock option plan (the "*New Option Plan*"), in place of its previous stock option plan, in order to align with the TSXV Policy 4.4 *Security Based Compensation*. The New Option Plan makes a maximum of 10% of the issued and outstanding Shares available for issuance thereunder. The policies of the TSXV require that the adoption of the New Option Plan be approved by the shareholders.

The following is a summary of the principal terms of the New Option Plan and is qualified in its entirety by the full text of the New Option Plan which is attached in Schedule "B" to this Information Circular.

The New Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder subject to the requirements of the TSXV. Options may be granted under the New Option Plan to such directors, officers, employees or consultants of the Company and its affiliates (as defined in National Instrument 45-106 – *Prospectus and Registration Exemptions*), if any, as the Board may from time to time designate.

However, in no case will the issuance of Shares upon the exercise of stock options granted under the New Option Plan:

- (a) exceed that number which is equal to 10% of the Shares which are issued and outstanding on the relevant grant date; and for greater certainty, Shares which were previously subject to options which have expired or been terminated on the relevant grant date shall not be included in such percentage calculation;
- (b) to any eligible person within a 12-month period exceed 5% of the Shares which are issued and outstanding on the relevant grant date unless the Company has obtained disinterested shareholder approval;
- (c) to any one consultant within a 12-month period exceed 2% of the Shares which are issued and outstanding on the relevant grant date;
- (d) to eligible persons employed by the Company to carry out investor relations activities, in aggregate, exceed 2% of the Shares on a non-diluted basis on the grant date;
- (e) to insiders as a group exceed 10% of the Shares which are issued and outstanding at any point in time as at the relevant grant date unless the Company has obtained disinterested shareholder approval; or
- (f) to insiders within a 12-month period exceed 10% of the Shares which are issued and outstanding on the relevant grant date unless the Company has obtained disinterested shareholder approval.

The New Option Plan may be terminated by the Board at any time, but such termination will not alter the terms or conditions of any options awarded prior to the date of such termination. Any stock options

outstanding when the New Option Plan is terminated will remain in effect until they are exercised or expire or are otherwise terminated in accordance with the provisions of the New Option Plan.

Options granted under the New Option Plan will be for a term not to exceed ten years from the date of their grant. Unless the Company otherwise decides, in the event an option holder ceases to be a director, officer, consultant or employee of the Company (other than by reason of death or disability), vested options will expire on the earlier of the option expiry date or 90 days following the date the director, officer, consultant or employee ceases to be employed or provide services to the Company. In all cases, unvested options will terminate immediately. Vested options will expire immediately in the event the option holder's relationship with the Company is terminated for cause. In the event of the death or disability of an option holder, vested options will expire on the earlier 365 days after the date of death or disability or the option expiry date.

The price at which an option holder may purchase a Share upon the exercise of a stock option will not be less than the discounted market price of the Company's Shares as of the date of the grant of the stock option (the "**Award Date**"). Discounted market price means the market price less a discount to be determined by the Board, which will in any event not exceed the amount set forth under Policy 1.1 of the TSXV's Corporate Finance Manual.

If a *bona fide* offer ( an "**Offer**") for Shares is made to an optionee or to shareholders of the Company generally or to a class of shareholders which includes an optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, then, subject to the prior written consent of the TSXV, the Company shall, upon receipt of notice of the Offer, notify each optionee of full particulars of the Offer, whereupon all option Shares subject to such option will become vested, with the exception of options granted to optionees providing investor relations activities, which are not eligible for acceleration of vesting, and the option may be exercised in whole or in part by the optionee so as to permit the optionee to tender the option Shares received upon such exercise, pursuant to the Offer.

Stock options will be non-assignable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death or incapacity.

Shares will not be issued pursuant to stock options granted under the New Option Plan until they have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their stock options.

### *Regulatory Requirements*

Any time an issuer adopts a stock option plan, the TSXV requires the issuer to obtain shareholder approval of the plan, provided that the plan, together with all of the issuer's other previously established stock option plans or grants or security compensation arrangements, could result at any time in the number of common shares reserved for issuance under options exceeding 10% of the issued and outstanding common shares. Under the New Option Plan, the number of Shares available for issuance upon the exercise of options will be equal to 10% of the issued and outstanding Shares of the Company as at the date of grant. The TSXV also requires the Company to obtain disinterested shareholder approval where a stock option plan, together with all of the Company's other previously established and outstanding stock option plans or grants, could result, at any time, in:

- (a) the number of shares reserved for issuance under stock options granted to Insiders (as defined in TSXV Policy 1.1) exceeding 10% of the issued shares;
- (b) the grant to Insiders, at any point in time, of a number of shares exceeding 10% of the issued shares; or



- (c) the grant to any one optionee, within a 12-month period, of a number of shares exceeding 5% of the issued shares.

If insiders of the Company participate in the New Option Plan it is possible that the New Option Plan could result in the foregoing situations.

Upon the approval of the New Option Plan by shareholders, shareholder approval will not be required or sought on a case-by-case basis for the purpose of the granting of options and the exercise of options under the New Option Plan, with the exception of the stock options that were granted under the New Option Plan prior to shareholder approval as noted below under “Approval of Grant of Stock Options”.

At the Meeting, shareholders will be asked to approve an ordinary resolution approving the New Option Plan. The text of the resolution to be considered and, if thought fit, approved at the Meeting is as follows:

**“RESOLVED THAT:**

1. *Subject to the approval of the TSX Venture Exchange, the Company’s incentive stock option plan, which makes a total of 10% of the issued and outstanding shares of the Company available for issuance thereunder as described in the Company’s Management Information Circular dated May 10, 2023 be and is hereby ratified, confirmed and approved.*
2. *Any one director or officer of the Company be and is hereby authorized and directed to perform all such acts, deeds and things and execute all such documents and other instruments as may be required to give effect to the true intent of this resolution.”*

Approval of the resolution will require the affirmative vote of a majority of the votes cast at the Meeting by disinterested shareholders in respect thereof.

***Management of the Company recommends that shareholders vote in favour of the approval of the New Option Plan, and if named as proxy, the management designees intend to vote the Shares represented by such proxy FOR approval of the New Option Plan, unless otherwise directed in the form of proxy.***

***Approval of Grant of Stock Options***

On January 4, 2023, the Company granted stock options to certain directors, officers and consultants under the New Option Plan to purchase up to an aggregate of 1,300,000 Shares (collectively, the “Options”). Pursuant to TSXV Policy 4.4 *Security Based Compensation*, the Company is required to seek shareholder approval for any options granted under a stock option plan that has not been approved by shareholders.

Accordingly, the Company is seeking approval of the grant of the following stock options:

<b>Name of Optionee</b>	<b>Position with Company</b>	<b>Number of Options</b>	<b>Exercise Price (C\$)</b>	<b>Expiry Date</b>
David Watkinson	Officer, Director	400,000	\$0.25	January 4, 2028
Robert Rosner	Officer, Director	200,000	\$0.25	January 4, 2028
Andrew MacRitchie	Director	150,000	\$0.25	January 4, 2028
Julien Davy	Director	150,000	\$0.25	January 4, 2028
Vincent Garibaldi	Director	150,000	\$0.25	January 4, 2028

Name of Optionee	Position with Company	Number of Options	Exercise Price (C\$)	Expiry Date
Denise Pilla	Officer	25,000	\$0.25	January 4, 2028
Robert Kiesman	Consultant	25,000	\$0.25	January 4, 2028
Kendra Low	Consultant	25,000	\$0.25	January 4, 2028
Robert Pease	Consultant	50,000	\$0.25	January 4, 2028
Christine Daggett	Consultant	25,000	\$0.25	January 4, 2028
Diane Mann	Consultant	25,000	\$0.25	January 4, 2028
Steve Cozine	Consultant	25,000	\$0.25	January 4, 2028
Sebastian Tang	Consultant	25,000	\$0.25	January 4, 2028
James Atherton	Consultant	25,000	\$0.25	January 4, 2028
<b>Total</b>		<b>1,300,000</b>		

The Options vest as to 35% on January 4, 2023, 33% on January 4, 2024 and 33% on January 4, 2025.

Therefore, at the Meeting, shareholders will be asked to pass the following ordinary resolution:

**“RESOLVED THAT:**

1. The granting of an aggregate of 1,300,000 stock options to certain directors, officers and consultants under the New Stock Option Plan, exercisable on or before January 4, 2028 at an exercise price of \$0.25 per share, as more particularly described in the Company’s Information Circular dated May 10, 2023, be and are hereby ratified, affirmed and approved.
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.”

Approval of the resolution will require the affirmative vote of a majority of the votes cast at the Meeting by disinterested shareholders in respect thereof.

***Management of the Company recommends that shareholders vote in favour of the approval of the Options, and if named as proxy, the management designees intend to vote the Shares represented by such proxy FOR approval of the Options, unless otherwise directed in the form of proxy.***

**ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com) and on Emergent’s website at [www.emergentmetals.com](http://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](http://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 10th day of May, 2023.

APPROVED BY THE BOARD OF DIRECTORS

"David Watkinson"

DAVID WATKINSON

President, CEO, Chairman and Director

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**Schedule "A"**

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**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*

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**Schedule "B"**

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**EMERGENT METALS CORP.****STOCK OPTION PLAN****(10% Rolling Plan)****1. PURPOSE OF THE PLAN**

The Company hereby establishes a stock option plan (the "**Plan**") for Directors, Officers, Employees, Management Company Employees, Consultants and Consultant Companies (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options, exercisable over periods of up to ten (10) years as determined by the Board, to buy shares of the Company at a price not less than the Market Price prevailing on the date the Option is granted less applicable discount, if any, permitted by policies of the Exchange and approved by the Board. It is the intention of the Company that, if and so long as the Company's shares are listed on the TSXV, this Plan will at all times be in compliance with TSXV Policies and any inconsistencies between this Plan and TSXV Policies whether due to inadvertence or changes in TSXV Policies will be resolved in favour of TSXV Policies.

**2. DEFINITIONS**

In this Plan, the following terms shall have the following meanings:

"**Associate**" means an "Associate" as defined in TSXV Policies.

"**Acceleration Event**" means:

- (i) the acquisition by any "offeror" (as defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids*) of beneficial ownership of more than 50% of the outstanding voting securities of the Company, by means of a takeover bid or otherwise;
- (ii) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company would be converted into cash, securities or other property, other than a merger of the Company in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (iii) any sale, lease, exchange or other transfer (in one transaction or a series or related transaction) of all or substantially all of the assets of the Company;
- (iv) the approval by the shareholders of the Company of any plan of liquidation or dissolution of the Company.

"**Blackout Period**" means a period of time when an Optionee is prohibited from trading in securities of the Company pursuant to the Company's "blackout" policies then in effect.

"**Blackout Extension Period**" means ten (10) Business Days after the end of a Blackout Period.

"**Board**" means the board of directors of the Company or any committee thereof duly empowered or authorized to grant options under this Plan.

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

"**Change of Control**" means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of

the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the board of directors of the Company.

“**Company**” means Emergent Metals Corp. and its successors.

“**Consultant**” means a “Consultant” as defined in TSXV Policies.

“**Consultant Company**” means a “Consultant Company” as defined in TSXV Policies.

“**Director**” means a “Director” as defined in TSXV Policies.

“**Disability**” means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:

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

“**Discounted Market Price**” of Shares means, if the Shares are listed only on the TSXV, the Market Price less the maximum discount permitted under the TSXV Policy applicable to Options.

“**Disinterested Shareholder Approval**” means approval by a majority of the votes attaching to shares voted at a meeting of shareholders of the Company (including votes by holders of non-voting and subordinate voting shares, if any) excluding those attaching to shares held by persons with an interest in the subject matter of the resolution. Votes attaching to securities beneficially owned by interested parties may not be counted in respect of resolutions requiring Disinterested Shareholder Approval.

“**Distribution**” means a “Distribution” as defined in TSXV Policies.

“**Eligible Persons**” has the meaning given to that term in section 1 hereof and includes, subject to applicable law and Exchange Policies, an RRSP or RRIF of such person.

“**Employee**” means an “Employee” as defined in TSXV Policies.

“**Exchange**” means the TSXV and, if applicable, any other stock exchange on which the Shares are listed.

“**Exchange Hold Period**” means “Exchange Hold Period” as defined in TSXV Policies.

“**Expiry Date**” means the date set by the Board under section 4.1 of the Plan, as the last date on which an Option may be exercised.

“**Grant Date**” means the date specified in an Option Agreement as the date on which an Option is granted.

“**Insider**” means an “Insider” as defined in TSXV Policies, other than a person who is an insider solely by virtue of being a director or senior officer of a subsidiary of the Company.

“**Investor Relations Activities**” means “Investor Relations Activities” as defined in TSXV Policies.

“**Investor Relations Service Provider**” means “Investor Relations Service Provider” as defined in the TSXV Policies.

“**Joint Actor**” means a person acting “jointly or in concert with” another person as that phrase is interpreted in National Instrument 62-104 *Take-Over Bids and Issuer Bids*.

“**Management Company Employee**” means a “Management Company Employee” as defined in TSXV Policies.

“**Market Price**” of Shares at any Grant Date means the last closing price per Share preceding the Company’s announcement of the grant of the option or, if the grant is not announced, on the trading day immediately preceding the Grant Date, or if the Shares are not listed on any stock exchange, “**Market**



**Price** of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.

**Material Information** means “Material Information” as defined in TSXV Policies.

**Officer** means an “Officer” as defined in TSXV Policies.

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

**Option Agreement** means an agreement substantially in the form attached hereto as Appendix “A”, or such other form as shall be approved by the directors of the Company from time to time, or a certificate executed by the Company, evidencing the grant of an Option to an Optionee.

**Optionee** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.

**Option Price** means the exercise price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.

**Option Shares** means the aggregate number of Shares which an Optionee may purchase under an Option.

**Plan** means this Stock Option Plan.

**Shares** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.

**Securities Act** means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.

**Securities Laws** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Company or to which it is subject.

**Security Based Compensation** means “Security Based Compensation” as defined in TSXV Policies.

**TSXV Policies** means the policies included in the TSX Venture Exchange Corporate Finance Manual from time to time and “**TSXV Policy**” means any one of them.

**Unissued Option Shares** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of Options but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.

**Vested** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### 3. GRANT OF OPTIONS

#### 3.1 Option Terms and Expiry Dates

The Board may from time to time authorize the issue of Options to Eligible Persons of the Company and its subsidiaries. The Option Price of an Option shall be not less than the Discounted Market Price on the Grant Date. The Company may grant Options without an Exchange hold period if the Option Price is not less than the Market Price. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date.

#### 3.2 Blackout Periods

If the Expiry Date of an Option occurs within a Blackout Period, or if an Option would otherwise expire during a Blackout Period by virtue of the provisions of this Plan, then the time for exercising such Option will be extended to the last day of the Blackout Extension Period provided that, (i) the Blackout Period must be deemed to have expired upon the general disclosure of the undisclosed Material Information, and (ii) the automatic extension of an Option will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable Securities Laws) in respect of the Company's securities.

### **3.3 Options Not Assignable**

Options shall not be assignable or transferable by any Optionee.

### **3.4 Limits on Shares Issuable on Exercise of Options**

The maximum number of Option Shares that are issuable pursuant to Security Based Compensation granted or issued under the Plan and all of the Company's other previously established or proposed Security Based Compensation plans which may be reserved for issuance pursuant to Options granted under this Plan and all of the Company's other previously established or proposed Security Based Compensation plans (to which the following limits apply under Exchange policies):

- (a) shall not, in aggregate, exceed that number which is equal to 10% of the Shares which are issued and outstanding on the relevant Grant Date; and for greater certainty, Shares which were previously subject to Options which have expired or been terminated on the relevant Grant Date shall not be included in such percentage calculation;
- (b) to any Eligible Person within a 12-month period shall not exceed 5% of the Shares which are issued and outstanding on the relevant Grant Date unless the Company has obtained Disinterested Shareholder Approval;
- (c) to any one Consultant within a 12-month period shall not exceed 2% of the Shares which are issued and outstanding on the relevant Grant Date;
- (d) to Eligible Persons employed by the Company to carry out Investor Relations Activities shall not, in aggregate, exceed 2% of the Shares on a non-diluted basis on the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any Security Based Compensation other than Options if the Shares are listed on the TSXV at the time of any issuance or grant;
- (e) to Consultants retained to carry out Investor Relations Activities must vest in stages over 12 months with no more than  $\frac{1}{4}$  of such Options becoming Vested in any three month period;
- (f) to Insiders as a group shall not exceed 10% of the Shares which are issued and outstanding at any point in time as at the relevant Grant Date unless the Company has obtained Disinterested Shareholder Approval; and
- (g) to Insiders within a 12-month period shall not exceed 10% of the Shares which are issued and outstanding on the relevant Grant Date unless the Company has obtained Disinterested Shareholder Approval.

### **3.5 Option Agreements and Representation to Exchange**

Each Option shall be confirmed by the execution of an Option Agreement by both the Company and the Optionee, and all Options shall be subject to the provisions of this Plan. Each Optionee shall have the right and option to purchase from the Company the Option Shares which are the subject of the Option at the time and in the manner set out in this Plan and subject to all terms and conditions set out in the Option Agreement applicable to that Optionee. For Options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Optionee must ensure and confirm that each of such Optionees is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or a subsidiary of the Company. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan. All Options shall be subject to any applicable resale restrictions pursuant to applicable Securities Laws. In addition, Options and Option Shares that are subject to the Exchange Hold Period pursuant to

TSXV Policy 1.1 must be legended with the Exchange Hold Period commencing on the Grant Date, and the Option Agreement shall contain any applicable resale restriction or Exchange Hold Period.

#### **4. EXERCISE OF OPTION**

##### **4.1 When Options May be Exercised**

Subject to sections 3.2, 4.3 and 4.4, an Option may be exercised to purchase Vested Unissued Option Shares at any time after the Grant Date and before 4:00 p.m. local time in Vancouver, B.C., on the Expiry Date, and shall not be exercisable thereafter.

##### **4.2 Manner of Exercise**

Each Option shall be exercisable by delivering to the Company a written notice specifying the number of Option Shares in respect of which the Option is being exercised together with payment in full of the Option Price for each such Option Share. Upon notice and payment there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan and applicable laws. Delivery of an Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation, in which case the Option shall not have been validly exercised. The Company shall be entitled to delay issuance of a certificate for Option Shares in respect of which an Option has been exercised until it shall be satisfied, acting reasonably, that the cheque issued in payment for such Option Shares has been honoured by the financial institution on which it has been drawn.

##### **4.3 Vesting of Option Shares**

The Board, subject to TSXV Policies, may determine and impose terms upon which each Option shall become Vested in respect of Optioned Shares, except Options granted to anyone performing Investor Relations Activities, which Options must vest in stages over twelve months with no more than one quarter of the Options vesting in any three-month period. Notwithstanding any vesting schedule specified in respect of any particular Option, subject to TSXV Policies or the prior written consent of the Exchange, Options shall become fully Vested and each Optionee shall be entitled to exercise such Optionee's Option in respect of the full number of Optioned Shares upon the occurrence of an Acceleration Event.

##### **4.4 Termination of Employment**

If an Optionee ceases to be an Eligible Person, the Option of such Optionee shall thereafter be exercisable on terms set by the directors at the time of grant, which shall not be more favourable to the Optionee than the following terms, and in default of any specific terms being set at the time of grant, shall be exercisable on the following terms subject to any provision in this Plan relating to a Blackout Period:

- (a) Death or Disability. If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a Consultant Company, the death or Disability of the person who provides consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable by such Optionee's administrators or heirs to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:
  - (i) 365 days after the date of death or Disability; and
  - (ii) the Expiry Date.
- (b) Termination For Cause. If the Optionee, or in the case of a Management Company Employee, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term has been interpreted by the courts of British Columbia, or breach of contract, any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

- (c) Early Retirement, Voluntary Resignation or Termination Other than For Cause. If the Optionee or in the case of a Management Company Employee, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause or breach of contract, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is the greater of 90 days (30 days if the Optionee was engaged in Investor Relations Activities) or such longer period, if any, as may be set by resolution of the Board and permitted by TSXV Policies after the Optionee or, in the case of a Management Company Employee, the Optionee's employer, ceases to be an Eligible Person; provided that in no event shall such period be more than one year without the consent of the Exchange. For greater certainty, an Option that had not become Vested in respect of Unissued Option Shares at the time that the relevant event referred to in this section 4.4 occurred, shall not be or become Vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

#### **4.5 Effect of a Take-Over Bid**

If a *bona fide* offer (an “Offer”) for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the *Securities Act*, then subject to the prior written consent of the Exchange, the Company shall notify each Optionee of full particulars of the Offer, whereupon all Option Shares subject to such Option will, subject to the prior written consent of the Exchange, become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to section 4.3 shall be reinstated. If any Option Shares are returned to the Company under this section 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, subject to the prior written consent of the Exchange, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days and not more than 35 days notice is required.

#### **4.7 Effect of a Change of Control**

If a Change of Control occurs, subject to the prior written consent of the TSXV, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee.

#### **4.8 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.9 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Subject to prior approval of the Exchange, whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a “**Share Reorganization**”) then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

#### **5.2 Special Distribution**

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares:

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a “**Special Distribution**”), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly

increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution. In the event that the number of Shares forming part of the Special Distribution exceeds the maximum number of Shares that may be issued under the Plan, the Company shall settle any such Special Distribution with cash.

### 5.3 Corporate Organization

Subject to prior acceptance by the Exchange and shareholder approval, whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a “**Corporate Reorganization**”) the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization (the “**Replacement Compensation**”) if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

Subject to Exchange acceptance, shareholder approval is not required provided that:

- (a) the number of securities issuable pursuant to such Replacement Compensation (and their applicable exercise or subscription price) is adjusted in accordance with the share exchange ratio applicable to the transaction, regardless of whether the adjusted exercise price is below the then current Market Price of the Company's Shares;
- (b) the terms of the Replacement Compensation satisfy the criteria of the Plan; and
- (c) the number of securities issuable pursuant to such Replacement Compensation falls within the limits of the Plan.

### 5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

### 5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of sections 5.1, 5.2 or 5.3 is subject to the approval of the Exchange and any other governmental authority having jurisdiction.

## **6. MISCELLANEOUS**

### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

### **6.2 Necessary Approvals**

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested shareholder approval (as required by the Exchange) will be obtained for any reduction in the exercise price of any Option granted under this Plan or extension of the term of Options if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

### **6.3 Administration of the Plan**

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

### **6.4 Income Taxes**

Notwithstanding any other provision of this Plan, the Company may from time to time implement such procedures and impose such conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed by Canadian law, or the funding of amounts for which liability may arise under such law; and without limiting the generality of the foregoing, any Optionee who wishes to exercise an Option must, in addition to following the procedures set out elsewhere in this Plan and any Option Agreement, as a condition of valid exercise of such Option, deliver a certified cheque, bank draft or wire transfer payable to the Company for the amount determined by the Company to be the amount of such taxes and otherwise follow all related procedures and conditions imposed by the Company regarding such taxes.

In addition, as a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

### **6.5 Amendments to the Plan and Outstanding Options**

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time.

The Board may from time to time make amendments to (i) to fix typographical errors; or (ii) clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions without Exchange acceptance or shareholder approval.

The Board may from time to time, subject to Exchange acceptance and shareholder approval, amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating

thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

Any amendments to the Plan or any Option granted thereunder which would reduce the exercise price of any Option or extend the term of any Option held by a person who is an Insider at the time of the proposed amendment may only be made with Disinterested Shareholder Approval.

#### **6.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.7 No representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.8 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

#### **6.9 No Assignment**

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

#### **6.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

#### **6.11 Previously Granted Options**

Stock options which are outstanding under pre-existing stock option plan(s) of the Company as of the effective date of this Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of such pre-existing plan(s) under which such stock options were originally granted, in which case the applicable pre-existing plan(s) shall govern, provided if the Shares are listed only on the TSXV, any stock options granted, issued or amended after November 23, 2021 must comply with TSXV Policy 4.4 – *Security Based Compensation*.

#### **6.12 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

#### **6.13 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

#### **6.14 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.



### **6.15 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

**APPENDIX “A”**  
**EMERGENT METALS CORP.**

(the “**Company**”)

**OPTION AGREEMENT**

This Option Agreement between the Company and ♦ (the “**Optionee**”) is governed by the Company’s Stock Option Plan (the “**Plan**”) in effect from time to time and confirms that on ♦ (the “**Grant Date**”) the Optionee was granted options (the “**Options**”) to purchase up to ♦ Common Shares (the “**Option Shares**”) of the Company for \$♦ (the “**Exercise Price**”) per Option Share. The Options shall all vest and become exercisable, on the terms and subject to the conditions set out in the Plan, upon execution of this Agreement and delivery of a copy thereof to the Company.

Vested Options may be exercised by the Optionee delivering the originally signed copy of this Agreement to the Company with the Exercise Notice on the reverse side completed, together with a bank draft drawn on a Canadian Chartered Bank in Canadian dollars and payable to the Company in an amount equal to the aggregate Exercise Price of the Option Shares in respect of which Options are being exercised. This Agreement will be endorsed, or a supplemental option agreement or certificate will be provided in respect of any Options which are not exercised, if only a portion of the Options are exercised at any given time. Any Options remaining outstanding and unexercised at 4:00 p.m. (local time at Vancouver, B.C.) (the “**Expiry Time**”) on ♦ will terminate at the Expiry Time.

Where the Optionee is resident in or otherwise subject to the securities laws of the United States, the Optionee acknowledges that any Option Shares received by him/her upon exercise of the Option have not been registered under the United States *Securities Act* of 1933, as amended, or the Blue Sky laws of any state (collectively, the “**Securities Acts**”). The Optionee acknowledges and understands that the Company is under no obligation to register, under the *Securities Acts*, the Option Shares received by him/her or to assist him/her in complying with any exemption from such registration if he/she should at a later date wish to dispose of the Option Shares. The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

***“The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company.”***

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement. None of the Options will be exercisable until the Optionee has signed this Option Agreement and any conditions set out in this Option Agreement or any schedule hereto have been met. The Options are non-transferable and subject to termination prior to the Expiry Time upon the occurrence of certain events provided for in the Plan and, if applicable, any consulting agreement in effect from time to time between the Company and the Optionee.

**IN WITNESS WHEREOF** the parties hereto have executed this Option Agreement as of the ♦ day of ♦.

<p><b>EMERGENT METALS CORP.</b></p>  <hr style="width: 80%; margin-left: 0;"/> <p><i>Authorized Signatory</i></p>	  <hr style="width: 80%; margin-left: 0;"/> <p style="text-align: center;">♦</p>
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**EMERGENT METALS CORP.**

(the "Company")

**NOTICE OF EXERCISE OF OPTION**

The undersigned Optionee hereby gives notice to the Company of exercise of Options to acquire (**cross out inapplicable item**):

- (a) all of the Option Shares; or
- (b) \_\_\_\_\_ of the Option Shares;

which are the subject of this Option Certificate.

The undersigned Optionee delivers herewith a bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Option Shares in respect of which Options are being exercised, plus an amount equal to the withholding taxes, if any, required to be remitted by the Company to Canada Revenue Agency in connection with such exercise, and directs the Company to issue a certificate evidencing said Option Shares in the name of the undersigned and to mail such certificate to the undersigned at the following address (**provide full complete mailing address and email address**):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The undersigned acknowledges that this Notice is irrevocable and that no Option will be validly exercised unless this Notice is fully and properly completed and delivered to the Company at its address set out in the Company's SEDAR profile at the time of exercise, together with the required payment prior to the Expiry Time. The Company's SEDAR profile address is available from the Company upon written request therefor. DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Signature of Option Holder**

\_\_\_\_\_  
**Name of Option Holder**