

STAR DIAMOND CORPORATION

INFORMATION CIRCULAR

ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON THURSDAY, MAY 14, 2026

IMPORTANT NOTICE

STAR DIAMOND CORPORATION'S ANNUAL & SPECIAL MEETING OF SHAREHOLDERS TO BE HELD
MAY 14, 2026 WILL BE HELD IN A VIRTUAL-ONLY MEETING FORMAT.

YOU WILL NOT BE ABLE TO ATTEND THE MEETING PHYSICALLY.

SOLICITATION OF PROXIES

This information circular (the "Information Circular") is furnished in connection with the solicitation by the management of Star Diamond Corporation (the "Corporation") of proxies to be used at the Annual General & Special Meeting (the "Meeting") of the holders (the "Shareholders") of common shares of the Corporation (the "Common Shares"), which is to be held virtually on Thursday, May 14, 2026, at 10:30 AM (Central Standard Time ("CST")). Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, facsimile or electronic or oral communication by the directors and officers of the Corporation, at no additional compensation. The cost of the solicitation of proxies will be borne by the Corporation. Unless otherwise stated, the information contained in this Information Circular is given as at March 30, 2026 and all dollar amounts are expressed in Canadian dollars, except where otherwise stated.

VIRTUAL ONLY MEETING

This year, the Corporation will hold the Meeting in a **virtual-only format**, which will be conducted via live webcast. Over the last few years, the COVID pandemic fundamentally enhanced and accelerated the adoption of such virtual meetings. This format allows for a more inclusive approach, giving participants the ability to attend from virtually anywhere, while also reducing the Corporation's costs and the Meeting's carbon footprint. Shareholders can attend and participate in the Meeting by joining the live webcast online at <https://meetings.lumiconnect.com/400-731-829-819>. See "How to Attend and Participate in the Meeting" below for detailed instructions on how to attend and vote at the Meeting.

HOW TO ATTEND AND PARTICIPATE IN THE MEETING

The Corporation is holding the Meeting in a virtual-only format, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. Participating in the Meeting online enables Shareholders with Common Shares registered in their name ("**Registered Shareholders**") and duly appointed proxyholders, including beneficial holders who have duly appointed themselves as proxyholder, to listen and participate in the Meeting in real time. Shareholders who do not have their Common Shares registered in their name and who instead hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary ("**Non-Registered Shareholders**") will not be able to participate in the Meeting unless they appoint themselves as their proxyholder. Non-Registered Shareholders who do not duly appoint themselves as a proxyholder may, however, listen to the Meeting as a guest. Only Registered Shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

How to Attend the Meeting

Registered Shareholders and duly appointed proxyholders can attend and participate in the Meeting online by going to <https://meetings.lumiconnect.com/400-731-829-819>.

- Registered Shareholders and duly appointed proxyholders can join the Meeting by clicking "I have a login" and entering in a username and password before the start of the Meeting.
 - Registered Shareholders

- Username: The 12-digit control number located on the form of proxy or in the email notification you received.
 - Password: **stardiamond2026**
- Duly appointed proxyholders
 - Username: Following the voting deadline, the Corporation’s transfer agent, Odyssey Trust Company (“**Odyssey Trust**”), will provide the proxyholder with a username.
 - Password: **stardiamond2026**
- If you are using a 12-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking all previously submitted proxies. However, in such a case, you will be provided with the opportunity to vote by ballot on the matters put forth at the Meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.
- Non-Registered Shareholders (being Shareholders who hold their Common Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) may attend the Meeting as a guest by clicking “**I am a guest**” and completing the online form. As a guest, they may listen to the Meeting, but may not vote or otherwise participate. Voting at the Meeting will only be available for Registered Shareholders and duly appointed proxyholders.
- Non-Registered Shareholders who wish to attend and participate in the Meeting must first appoint themselves as their proxyholder. If you are a Non-Registered Shareholder, you must carefully follow the instructions set out on your **voting information form** in order to appoint yourself as your proxyholder. You will also need to register your appointment as a proxyholder with Odyssey Trust. You must first submit your voting information form naming yourself as proxyholder prior to registering yourself as proxyholder with Odyssey Trust. To register as a proxyholder, Non-Registered Shareholders **MUST send an email to appointee@odysseytrust.com** on Tuesday, May 12, 2026 by 10:30 AM (CST), or 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of any adjournment of the Meeting, and provide Odyssey Trust with the required information (proxyholder contact information, amount of Common Shares appointed, name of broker where the Common Shares are held) so that Odyssey Trust may provide you with a username via email. Failure to do so will result in you not receiving login credentials. **Non-Registered Shareholders who do not duly appoint themselves as proxyholders will not be able to participate in the Meeting but may listen to the Meeting as a guest.** This is because the Corporation and its transfer agent do not have a record of the Non-Registered Shareholders (or “**beneficial shareholders**”) of the Corporation, and, as a result, will have no knowledge of your shareholdings or entitlement to vote, unless you appoint yourself as proxyholder.
- Non-Registered Shareholders in the United States, who wish to attend and vote at the Meeting must first obtain a valid legal proxy from their broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker or bank included with these proxy materials or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Odyssey Trust. Requests for registration should be labeled as “Legal Proxy” and directed to Odyssey Trust at appointee@odysseytrust.com and be received no later than Tuesday, May 12, 2026 by 10:30 AM (CST) or 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of any adjournment of the Meeting.
- You will receive confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your Common Shares at <https://meetings.lumiconnect.com/400-731-829-819> during the Meeting.

It is important that you are always connected to the internet during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

In order to participate online, Shareholders must have a valid 12-digit control number and proxyholders must have received an email from Odyssey Trust containing a username.

Voting at the Meeting

Registered Shareholders and duly appointed proxyholders (including Non-Registered Shareholders who have appointed themselves as proxyholder), will appear on a list of shareholders prepared by Odyssey Trust, the transfer agent and registrar for the Meeting. To have their Common Shares voted at the Meeting, each Registered Shareholder or proxyholder will be required to enter their control number or Username provided by Odyssey Trust at <https://meetings.lumiconnect.com/400-731-829-819> prior to the start of the Meeting. In order to vote, Non-Registered Shareholders who appoint themselves or another person as a proxyholder **MUST** register with Odyssey Trust at appointee@odysseytrust.com after submitting their voting instruction form in order to receive a username (please see the information under the headings “Appointment of Proxyholders” below for details).

APPOINTMENT OF PROXYHOLDERS

Wayne Malouf and Al Gourley (the designees named in the accompanying form of proxy) are directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder), other than Wayne Malouf or Al Gourley to represent such Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the other person in the blank space provided on the form of proxy.

A Form of Proxy will not be valid unless it is deposited at the offices of Odyssey Trust not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

Advice to Registered Shareholders

Registered Shareholders may use the internet site at <https://vote.odysseytrust.com> to transmit their voting instructions. Registered Shareholders should have the form of proxy in hand when they access the website and will be prompted to enter their Control Number, which is located on the form of proxy. Registered Shareholders can also return their proxies using the following methods: (i) by mail or courier at the offices of, or by hand at the offices of, Odyssey Trust at Attn: Proxy Department, 1100 - 67 Yonge St., Toronto, ON M5E 1J8; (ii) via email at proxy@odysseytrust.com; or (iii) via the internet at <https://login.odysseytrust.com/pxlogin>. The proxy must be deposited with Odyssey Trust by no later than 10:30 AM (CST) on Tuesday, May 12, 2026. If Registered Shareholders vote by internet, their vote must be received not later than 10:30 AM (CST) on Tuesday, May 12, 2026, or 48 hours prior to the time of any adjournment of the Meeting. **The website may be used to appoint a proxy holder to attend and vote on a Shareholder’s behalf at the Meeting and to convey a Shareholder’s voting instructions.**

Advice to Non-Registered Shareholders

The information set forth in this section is of significant importance to some Shareholders as some Shareholders do not have their Common Shares registered in their own name. Non-Registered Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted upon the instructions of the Non-Registered Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting Common Shares for the broker’s clients. **Therefore, Non-Registered Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person or that the Common Shares are duly registered in their name such that they become a registered holder and can vote as such.**

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively, the “Meeting Materials”) to the clearing agencies, brokers and intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them.

Applicable Canadian regulatory policy requires intermediaries to seek voting instructions from Non-Registered Shareholders

in advance of shareholders' meetings. Each intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. In some cases, the form of proxy supplied to a Non-Registered Shareholder by its intermediary is identical to the form of proxy provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (in this case, the intermediary) how to vote on behalf of the Non-Registered Shareholder. In Canada, the majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In most cases, Broadridge mails a scannable voting instruction form (a "**VIF**") in lieu of the form of proxy provided by the Corporation and asks Non-Registered Shareholders to return the VIF to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Non-Registered Shareholder receiving a VIF from Broadridge cannot use that form to vote their Common Shares directly at the Meeting – the VIF must be returned to Broadridge or, alternatively, instructions must be received by Broadridge, as instructed by them, in order to have such Common Shares voted.**

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or an agent of the broker), a Non-Registered Shareholder may attend at the Meeting virtually as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. Non-Registered Shareholders who wish to attend the Meeting virtually and indirectly vote their Common Shares as proxyholder for the Registered Shareholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting, and register their appointment with Odyssey Trust. See "*How to Attend and Participate in the Meeting*" above.

REVOCATION OF PROXIES

Advice to Registered Shareholders

A Registered Shareholder who has submitted a completed proxy may revoke it by an instrument in writing signed by the Shareholder or by an authorized attorney or, if the Registered Shareholder is a corporation, by a duly authorized officer, and deposited either: (i) by mail or courier at the offices of, or by hand at the offices of, Odyssey Trust, Attn: Proxy Department, 1100 - 67 Yonge St., Toronto, ON M5E 1J8, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof; (ii) at the offices of the Corporation at Suite 702, 224 - 4th Avenue South, Saskatoon, Saskatchewan, S7K 5M5, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof; or (iii) with the Chair of the Meeting on the day of the Meeting or any adjournment thereof. In addition, a completed proxy may be revoked: (i) by the Registered Shareholder personally attending at the Meeting and voting the securities represented thereby or, if the Registered Shareholder is a corporation, by a representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

Advice to Non-Registered Shareholders

Non-Registered Shareholders who do not have their Common Shares registered in their own name may change the voting instructions given to an intermediary by notifying such intermediary in accordance with the intermediary's instructions. Non-Registered Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set above.

EXERCISE OF DISCRETION BY PROXYHOLDERS

The designees named in the accompanying form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed, on any ballot that may be called for, in accordance with the direction of the Shareholder appointing them and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such direction, the relevant Common Shares will be voted in favour of: (i) the election of directors; (ii) the appointment of auditors, at such remuneration as may be determined by the directors of the Corporation; and (iii) the approval of the 2026 Stock Option Plan (as defined herein).** The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of the matters identified in the notice of Meeting (the "**Notice of Meeting**") and with respect to other matters that may properly be brought before the Meeting. As of the date hereof, management of the Corporation knows of no such amendments,

variations or other matters to be brought before the Meeting.

SIGNING OF PROXY

The form of proxy must be signed by the Shareholder or his duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer. A form of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate shareholder) should indicate that person's capacity (following his signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

NOTICE-AND-ACCESS

NI 54-101 and National Instrument 51-102 *Continuous Disclosure Obligations* allow for the use of a "notice-and-access" regime for the delivery of proxy-related materials.

Under the notice-and-access regime, reporting issuers are permitted to deliver proxy-related materials by posting them on SEDAR+, as well as a website other than SEDAR+, and sending Shareholders a notice package that includes: (i) the voting instruction form or form of proxy; (ii) basic information about the Meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the Meeting Materials; and (iv) a plain-language explanation of how the notice-and-access system operates and how the Meeting Materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send this notice package to Shareholders electronically. This notice package must be mailed to Shareholders from whom consent to electronic delivery has not been received.

The Corporation has elected to send this Information Circular to Shareholders using the notice-and-access regime. Accordingly, the Corporation will send the above-mentioned notice package to Shareholders which includes instructions on how to access the Information Circular online and how to request a paper copy of the Information Circular. Distribution of the Information Circular pursuant to the notice-and-access regime has the potential to substantially reduce printing and mailing costs and reduce the Corporation's impact on the environment.

The Corporation will not send its proxy-related materials directly to non-objecting beneficial owners under NI 54-101. The Corporation intends to pay for proximate intermediaries to forward the proxy-related materials and the voting instruction form to objecting Non-Registered Shareholders under NI 54-101.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting of Common Shares - General

As of March 30, 2026, there are 773,914,090 Common Shares issued and outstanding, each of which carries the right to one vote at the Meeting.

Only persons registered as holders of Common Shares as of the close of business as of March 30, 2026 (the "Record Date") are entitled to receive notice of and to vote at the Meeting, except that any person who acquires Common Shares from a Shareholder after the Record Date may vote the Common Shares so acquired if, not later than 10 days prior to the Meeting, that person makes a request to Odyssey Trust to have their name included on the Shareholders' list for the Meeting and establishes that they own the Common Shares.

Quorum

Two people present and holding or representing by proxy at least 5% of the Common Shares entitled to vote at the Meeting constitute a quorum.

PRINCIPAL HOLDERS OF SHARES

To the knowledge of the directors and officers of the Corporation, as at the date hereof, the only persons or companies known to beneficially own or exercise control or direction over more than 10% of the outstanding Common Shares is the following:

Name of Beneficial Owner	Number of Shares ⁽¹⁾	Percent ⁽²⁾
Rio Tinto Exploration Canada Inc.	119,315,222	15.42%
Spirit Resources s.a.r.l. (“ Spirit ”)	194,455,143	25.13%

Notes:

(1) Common Shares held as of March 30, 2026. The information as to Common Shares beneficially owned, not being within the knowledge of the Corporation, has been obtained from SEDI and SEDAR+.

(2) Based on total issued and outstanding Common Shares of the Corporation as of March 30, 2026.

BUSINESS OF THE MEETING

Financial Statements and Auditor’s Report

The consolidated financial statements of the Corporation for the fiscal year ended December 31, 2025, together with the auditor’s report thereon, will be presented at the Meeting. Copies of the Corporation’s annual and interim consolidated financial statements, the auditor’s reports thereon and the management’s discussion and analysis thereon are also available on SEDAR+ at www.sedarplus.ca. No vote by the Shareholders is required to be taken on the financial statements.

Election of Directors

In accordance with the by-laws of the Corporation, the directors have determined that six (6) directors shall be elected at the Meeting. Each director elected will hold office until the next annual meeting of the Shareholders or until his or her successor is elected or appointed, unless his or her office is vacated earlier. It is the opinion of the current independent directors that the proposed nominees bring demonstrated and relevant industry experience and strategic acumen to the table. While board diversity is considered by the board of directors of the Corporation (the “**Board**”) to be an important objective, it is the view of the independent directors that the significant experience and expertise of the director nominees outweighed the potential benefit of diversity candidates at this time.

Unless otherwise directed, the designees named in the accompanying form of proxy intend to vote FOR the election, as directors, of the nominees whose names are set forth below.

Management of the Corporation does not contemplate that any of the nominees will, for any reason, become unable or unwilling to serve as a director. The directors will be elected individually and not as a slate.

The following table identifies all persons to be nominated for election as directors. Also included in the table is a brief biography of each proposed director, attendance statistics from January 1, 2025 to the date hereof, and a list of the committees of the Board on which each sits, if applicable.

Name and Residence	Director Since	Member of	Attendance ⁽⁵⁾	Principal Occupation
Wayne Malouf ⁽¹⁾ <i>Dallas, Texas</i>	July 29, 2025	Board of Directors, (Chair) Audit Committee	6 of 6	Wayne Malouf is an attorney who has served as an officer and/or director of several privately-held and publicly traded mining companies listed on the London AIM, Toronto or Australian Stock Exchanges, including Diamond Field International (now DFR Gold), Titanium Resources Group and World Titanium Resources. He has more than 30 years’ experience in corporate structure, financing and merger and acquisition.
Al Gourley ⁽²⁾ <i>The Bahamas</i>	July 29, 2025	Board of Directors Audit Committee	6 of 6	Al Gourley is a mining entrepreneur. He is the founder of World Association of Mining Lawyers, a founder and Chair of Apex Royalties Ltd (a private mineral royalty company) and a founder and Vice-Chair of BC Gold Capital II Corporation (a company with an advanced gold project in Nunavut, Canada). Mr. Gourley was formerly the

Name and Residence	Director Since	Member of	Attendance ⁽⁵⁾	Principal Occupation
		Compensation and Corporate Governance Committee (Chair)		<p>Chair and an original shareholder of Trident Royalties Plc, which was sold to Deterra Royalties in 2024.</p> <p>He is also formally the Managing Partner of Fasken’s London and Johannesburg offices, an international law firm.</p>
Leslie Markow ⁽³⁾ <i>Toronto, Ontario</i>	November 20, 2025	Board of Directors Audit Committee (Chair) Compensation and Corporate Governance Committee	2 of 2	<p>Leslie Markow is a Canadian CA, CPA, US CPA (Illinois) and a Chartered Director. Currently, she is an independent consultant and formerly held the position of CFO at public companies in both Canada and the US. Her experience includes Corporate Treasury, Public Reporting, IPO advisory and M&A advice involving due diligence, post-merger integration and ongoing investor relations support.</p>
Krisztian Toth <i>Toronto, Ontario</i>	November 20, 2025	Board of Directors Audit Committee Compensation and Corporate Governance Committee	2 of 2	<p>Krisztian Toth is an experienced mining, capital markets and M&A lawyer and corporate director. His experience in mining finance and M&A stretches across all jurisdictions and minerals. Krisztian has been recognized by a number of legal publications as a leading lawyer in mining, capital markets, private equity and M&A. Krisztian is a partner at the law firm of Fasken Martineau DuMoulin LLP, a leading international business law and litigation firm with more than 750 lawyers across offices in Canada, South Africa and the United Kingdom providing expertise in more than 40 practice areas and industry groups. Krisztian is a member of Fasken’s Global Mining Group, which has been named Global Mining Law Firm of the Year for 10 consecutive years – more times than any other law firm in the world.</p>
Brendan Moore <i>Ontario, Canada</i>	March 25, 2026	Board of Directors	-	<p>Brendan F. Moore is a seasoned global executive with over 30 years of international leadership experience across North America, Europe, Latin America, and Asia-Pacific. He most recently served as President of Ryan International, where he held full multi-region P&L accountability and led cross-border M&A, enterprise transformation, and governance alignment initiatives.</p> <p>Mr. Moore brings deep expertise in global capital allocation, enterprise risk management, regulatory strategy, and long-term value creation, complemented by a strong entrepreneurial track record. He is the Founder & CEO of Brendan Moore & Associates Ltd., where he led the transformation of strategic tax governance and optimization programs for Fortune 500</p>

Name and Residence	Director Since	Member of	Attendance ⁽⁵⁾	Principal Occupation
				enterprises, and previously served as Vice President at Robert Brakel & Associates Ltd. He offers a seasoned board-level perspective grounded in governance excellence, performance optimization, and sustainable value creation
Jean-Claude (J.C.) St-Amour ⁽⁴⁾ Toronto, Ontario	-	-	-	Mr. St-Amour has over 25 years of mining industry experience in executive leadership roles, corporate finance and mergers & acquisitions. He has a master's degree in geology and is a Chartered Financial Analyst with strengths and expertise in capital markets, financial and investment analysis, asset valuation, and managing financing and M&A transactions in the natural resource sector. During his career, Mr. St-Amour has held various roles at the management and Board of Directors level in junior mining as well as with investment banking firms. From Jan 2021 – February 2024 Mr. St-Amour served as President and Chief Executive Officer of Vanstar Mining Resources Inc. and led the Company through its successful acquisition by IAMGOLD. From July 2020 – July 2025, he has held the position of President of Imagine Lithium Inc. and currently sits on the boards of Pelangio Exploration Inc., Mink Ventures Corporation, and Sky Gold Corp. Previously he has held various investment banking and senior management roles, including Director, Investment Banking and member of the Executive Committee with Fraser Mackenzie Limited; Vice President, Investment Banking at Blackmont Capital Inc.; Senior Vice President, Corporate Development and Chief Financial Officer at Defiance Mining Corporation and Vice President, Corporate Development at Rio Narcea Gold Mines Ltd.

Notes:

- (1) Effective November 20, 2025, Mr. Malouf was appointed Chairman of the Board.
- (2) Effective July 29, 2025, Mr. Gourley was appointed Chair of the Compensation and Corporate Governance Committee.
- (3) Effective November 20, 2025, Ms. Markow, was appointed Chair of the Audit Committee.
- (4) Proposed director.
- (5) Reflects number of meetings following such director's appointment.

Pursuant to the investor rights agreement dated August 6, 2025 between the Corporation and Spirit (the “**Investor Rights Agreement**”), from the date of execution of the Investor Rights Agreement, for so long as Spirit's Ownership Percentage (as defined in the Investor Rights Agreement) is: (i) at least 15%, Spirit will have the right to designate two individuals for election by the Corporation's shareholders to serve as directors on the Board; and (ii) at least 10%, Spirit will have the right to designate one individual for election by the Corporation's shareholders as a director on the Board. In addition, following the exercise by Spirit of all the Warrants (as defined in the Investor Rights Agreement), Spirit will have the right to designate one additional individual for election by the Corporation's shareholders to serve as a director on the Board (such individual collectively with the individuals described above, the “**Spirit Directors**”) and, from among such Spirit Directors, to nominate one to serve as Chair of the Board. The Spirit Directors are Al Gourley and Wayne Malouf.

Other than as described above, no proposed director is being elected under any arrangement or understanding between

the proposed director and any other person or company except the directors and executive officers of the Corporation acting solely in such capacity.

The following table identifies the number of Common Shares each prospective director holds and whether it meets or exceeds shareholding requirements.

Name	Common Shares	Meets or Exceeds Minimum Shareholding Requirements ⁽¹⁾
Wayne Malouf	0	Yes
Al Gourley	0	Yes
Leslie Markow	0	Yes
Krisztian Toth	0	Yes
Jean-Claude (J.C.) St-Amour	0	Yes
Brendan Moore	0	Yes

Notes:

(1) See "Share Ownership Guidelines" below.

Majority Voting for Directors

The Board has repealed the Corporation's Majority Voting Policy as a result of amendments to the *Canada Business Corporations Act* ("**CBCA**"), effective August 31, 2022, which require majority voting for individual directors in uncontested director elections pursuant to the provisions set out in the CBCA. The CBCA requires that directors stand for election each year at the annual meeting of shareholders. The CBCA also requires that a separate vote of shareholders is taken with respect to each candidate nominated for director. If there is an uncontested election, meaning that there is only one candidate nominated for each position available on the Board, each candidate is only elected if the number of votes cast in their favor represents a majority of the votes cast for and against them by the shareholders who are present in person or represented by proxy. If an incumbent director is not re-elected in an uncontested election, the Director may continue in office until the earlier of either: (i) the 90th day after the day of the election; or (ii) the day on which their successor is appointed or elected.

Majority voting will not apply in the case of a contested election of directors, in which case the directors will be elected by a plurality of votes of the Common Shares represented in person or by proxy at the meeting and voted on the election of directors.

Bankruptcies and Cease Trade Orders

To the knowledge of the Corporation, and based upon information provided to it by the nominees for election as directors, no such nominee is, or has been within the 10 years before the date of this Information Circular

- (a) a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade or similar order or an order that denied such corporation access to any exemption under securities legislation, for a period exceeding 30 consecutive days, while the person was acting in that capacity or after they ceased to act in such capacity but where such order resulted from an event that occurred while they were acting in such capacity;
- (b) a director or executive officer of any company that 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, while the person was acting in that capacity or within one year of the person ceasing to act in such capacity; or
- (c) become 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 their assets.

Penalties and Sanctions

To the knowledge of the Corporation, no proposed nominee for election as a director of the Corporation (nor any personal holding company of any of such persons) has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for such proposed nominee.

Director Compensation

The philosophy and benchmarking with respect to non-executive director compensation is the same as for the Corporation's Named Executive Officers ("**NEOs**"). The Board will review non-executive director compensation once a year and will adjust compensation levels when considered appropriate or necessary to recognize benchmarking results, workloads, time commitment and responsibility of Board and committee members.

For 2025, the Board reviewed an internal benchmarking analysis of director compensation using the same comparator companies referenced in the discussion of executive compensation. Based on this study, the Board determined that the cash component of compensation will remain unchanged and a long-term incentive award, in the form of stock options ("**Options**") and deferred share units ("**DSUs**"), would be appropriate.

Compensation for Directors who are not also officers or employees of the Corporation ("**outside directors**") is comprised of a monthly cash retainer of \$2,083.33.

In addition, each outside director is eligible to receive share-based compensation in the form of Options of the Corporation. See the "*Director Compensation Table*" and "*Outstanding Equity Awards for Directors*" below for details of discretionary Options and DSUs granted to the Corporation's outside directors as part of their annual compensation for the 2025 financial year.

Meeting fees continue to be included in the annual retainer. Outside directors are also reimbursed for certain travel and other expenses incurred in attending meetings and the performance of their duties.

Share Ownership Guidelines

The minimum mandatory retention of Common Shares by outside directors is 20,000. Directors have up to five years in which to fulfill this minimum holding requirement. The Corporation does not have a policy for minimum mandatory retention of Common Shares by directors that are also officers.

Director Compensation Table

The following table sets forth the compensation of the directors who are not NEOs in 2025:

Director	Year Ended Dec. 31	Fees Earned ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-term Incentive Plans (\$)			
Lisa K. Riley ⁽³⁾⁽⁴⁾⁽⁵⁾	2025	41,250	nil	nil	-	-	-	-	41,250
Larry E. Phillips ⁽³⁾⁽⁴⁾⁽⁶⁾	2025	27,500	nil	Nil	-	-	-	-	27,500
Marilyn D. Spink ⁽³⁾⁽⁴⁾⁽⁷⁾	2025	9,374	nil	nil	-	-	-	-	9,374
Wayne Malouf ⁽⁸⁾	2025	10,417	nil	nil	-	-	-	-	10,417
Al Gourley ⁽⁹⁾	2025	10,417	nil	nil	-	-	-	-	10,417
Leslie Markow ⁽¹⁰⁾	2025	3,045	nil	nil	-	-	-	-	3,045
Krisztian Toth ⁽¹¹⁾	2025	nil	nil	nil	-	-	-	-	nil
Brendan Moore ⁽¹²⁾	2025	nil	nil	nil	-	-	-	-	nil

Notes:

- (1) On January 2, 2025: (a) Lisa Riley was granted 1,125,000 DSUs in lieu of \$22,500 cash fees owing; (b) Larry Phillips was granted 750,000 DSUs in lieu of \$15,000 cash fees owing; and (c) Marilyn Spink was granted 625,000 DSUs in lieu of \$12,500 cash fees owing.
- (2) No options were granted during the year ended December 31, 2025. This amount represents options vested during the year.
- (3) Member of the Compensation and Corporate Governance Committee.
- (4) Member of the Audit Committee.
- (5) Lise K. Riley ceased to be a director on November 20, 2025.
- (6) Larry E. Phillips ceased to be a director on November 20, 2025.
- (7) Marilyn D. Spink ceased to be a director on May 15, 2025.
- (8) Wayne Malouf was appointed as a director on August 6, 2025.
- (9) Al Gourley was appointed as a director on August 6, 2025.
- (10) Leslie Markow was appointed as a director on November 20, 2025.
- (11) Krisztian Toth was appointed as a director on November 20, 2025.
- (12) Brendan Moore was appointed as a director on March 24, 2026.

Outstanding Equity Awards for Directors

The following table sets forth, for each director that is not a NEO, information regarding all share-based awards and option-based awards that are outstanding as of December 31, 2025:

Director	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
Lisa K. Riley	562,500	0.090	December 7, 2028	-	-	-	-
	156,000	0.215	February 1, 2026	-	-	-	-
Larry E. Phillips	425,000	0.090	December 7, 2028	-	-	-	-
	200,000	0.125	August 16, 2027	-	-	-	-
Marilyn D. Spink	450,000	0.09	December 7, 2028	-	-	-	-
Wayne Malouf	-	-	-	-	-	-	-
Al Gourley	-	-	-	-	-	-	-
Leslie Markow	-	-	-	-	-	-	-
Krisztian Toth	-	-	-	-	-	-	-
Brendan Moore	-	-	-	-	-	-	-

Notes:

- (1) The value of the unexercised in-the-money Options has been calculated based on the difference between the exercise price of the Options and the closing price of the Common Shares on December 31, 2025 of \$0.035.
- (2) Market or payout value of vested DSUs has been calculated based on the closing price of the Common Shares on December 31, 2025 of \$0.035.

Incentive Plan Awards for Directors – Value Vested or Earned

The following table sets forth, for each director that is not a NEO, the value vested or earned on all share-based awards and option-based awards for the year ended December 31, 2025:

Director	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year
Lisa K. Riley	-	59,808	-
Larry E. Phillips	-	39,449	-
Marilyn D. Spink	-	41,250	-
Wayne Malouf	-	-	-
Al Gourley	-	-	-
Leslie Markow	-	-	-
Krisztian Toth	-	-	-
Brendan Moore	-	-	-

Notes:

- (1) Represents the aggregate dollar value that would have been realized if Options had been exercised on the vesting date, based on the difference between the closing price of the Corporation's Common Shares on the Toronto Stock Exchange (the "TSX") on the vesting date and the exercise price of the Options. The Options vested on the day they were granted.

- (2) Represents the aggregate dollar value that would have been realized if DSUs had been exercised on the vesting date, based on the five-day volume weighted average trading price of the Common Shares on the TSX preceding the vesting date of the DSUs.

Appointment of Auditor

Effective August 7, 2025, KPMG LLP (“**KPMG**”) was terminated as the Company’s auditor and MNP LLP, Chartered Professional Accountants (“**MNP**”) was appointed as the Company’s auditor. The appointment of MNP has been considered and approved by the Board. There were no “reportable events” within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”) between the Company and KPMG.

In accordance with Section 4.11 of NI 51-102, a notice of change of auditor was sent to KPMG and MNP, each of which provided a letter to the securities regulatory authority in each province where the Company is a reporting issuer stating that they agree with the statements in the notice of change of auditor, including that there have been no “reportable events” (as defined in NI 51-102). A reporting package, as defined in NI 51-102, is attached as Schedule “C” to this Circular and includes the notice of change of auditor and the above-mentioned letters from KPMG and MNP to the applicable securities regulatory authorities

The Audit Committee and the Board recommend the reappointment of MNP LLP, Chartered Professional Accountants (“**MNP**”) as auditor of the Corporation. MNP was first appointed auditor of the Corporation in 2025.

The resolution appointing the auditors must be passed by a simple majority (50% + 1 vote) of the votes cast by Shareholders present in person or by proxy at the Meeting.

Unless otherwise directed, the designees named in the accompanying form of proxy intend to vote FOR the appointment of MNP as auditor of the Corporation, to hold office until the next annual meeting of the Shareholders, at a remuneration to be determined by the Board.

Approval of 2026 Stock Option Plan

Subject to required TSX and Shareholder approvals, the Board has approved the adoption of stock option plan (the “**2026 Stock Option Plan**”). The 2026 Stock Option Plan constitutes a security based compensation arrangement pursuant to the rules of the TSX and requires the approval of Shareholders. Accordingly, the Corporation wishes to seek shareholder approval of the 2026 Stock Option Plan and the unallocated entitlements under the 2026 Stock Option Plan at the Meeting.

Purpose

The purpose of the 2026 Stock Option Plan is to advance the interests of the Corporation, through the grant of Options, by (1) providing an incentive mechanism to foster the interest of directors, officers, employees and consultants in the success of the Corporation; (2) encouraging directors, officers, employees and consultants to remain with the Corporation; and (3) attracting new directors, officers, employees and consultants.

The following is a summary of certain key provisions of the 2026 Stock Option Plan.

Granting and Vesting

Options under the 2026 Stock Option Plan may be granted to directors, full- or part-time employees, including any officer of the Corporation, consultants of the Corporation, or a related entity of the Corporation. The Compensation and Corporate Governance Committee recommends to the Board senior executive officer Option grants and the Board approves all Option grants. Each Option entitles the holder to buy one Common Share, subject to adjustments in certain circumstances (see “Corporate Changes” below). The Board may grant Options having a term of up to five years, being the maximum Option period provided for under the 2026 Stock Option Plan, however the Board may set shorter terms if it wishes. The Board also has the discretion to determine vesting restrictions, and in connection therewith determine the terms under which the vesting of Options may be accelerated.

Exercising Options

The Board determines an Option’s exercise price on the grant date. The exercise price must be at least equal to the market value of the Common Shares at that time (i.e. the closing price of the Shares on the TSX on the trading day immediately

before the grant date).

Options cannot be exercised if the exercise period has expired. If Options expire during a trading blackout period, they can be exercised within 10 business days after the blackout period is lifted.

The Corporation does not provide any financial assistance to participants when they exercise their Options.

Assigning or Transferring Options

Options cannot be assigned or transferred by an Option holder to another person other than by a will, by the laws governing the devolution of property in the event of death of such Option holder, or by transfer to a personal holding company wholly-owned and controlled by such Option holder ("**Holding Company**") or to a registered retirement savings plan established for the sole benefit of such Option holder ("**RRSP**") or from a Holding Company or RRSP to such Option holder.

Special Situations

If the Option holder is no longer eligible to participate in the 2026 Stock Option Plan, they have 90 days to exercise any vested Options, provided that no Options shall be exercisable beyond the original expiry date of the Option, except in the following situations:

- on death, an estate has 365 days to exercise the vested Options, provided that no Options shall be exercisable beyond the original expiry date of such Options; and
- on termination for cause, all Options terminate immediately.

The Board may in its sole discretion increase the periods permitted to exercise all or any of the Options following a termination of employment or engagement provided that no Options shall be exercisable beyond the original expiry date of the Option.

Restrictions

Shares Reserved for Issue

The aggregate number of Common Shares that may be reserved for issuance pursuant to the 2026 Stock Option Plan cannot exceed 10% of the outstanding Common Shares at the time of the granting of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to any other security based compensation arrangements, of which not more than 20,000,000 Common Shares may be issued on the exercise of qualified incentive stock options under the United States tax code.

The 2026 Stock Option Plan limits the number of Common Shares that can be reserved for issue under the 2026 Stock Option Plan for a single individual to no more than 5% of Common Shares outstanding (on a non-diluted basis) on the grant date.

Common Shares that were reserved for Options that expire, are cancelled or otherwise terminated for any reason other than exercise can be used for other Options issued under the 2026 Stock Option Plan.

Restrictions for Insiders

The maximum number of Options to be granted under the 2026 Stock Option Plan to insiders, together with the number of Common Shares issuable to insiders pursuant to Options granted under any other security based compensation arrangements, may not exceed 10% of the Common Shares issued and outstanding on a non-diluted basis at the grant date of the Options.

The maximum number of Common Shares issued within any one-year period under the Stock Option Plan to insiders, together with the number of Common Shares issued to Insiders pursuant to Options granted under any other security based compensation arrangements, may not exceed 10% of the Common Shares issued and outstanding on a non-diluted basis.

Grants to Non-Employee Directors or Related Entities of the Corporation

In addition to the limits described above, the 2026 Stock Option Plan includes director-specific limits:

- the number of Options granted to outside directors under the 2026 Stock Option Plan is limited to an annual equity award value of CAD\$100,000 per outside director;
- the number of Options granted to outside directors under the 2026 Stock Option Plan, together with all other equity awards granted to such directors under any other security based compensation arrangement, is limited to an annual equity award value of CAD\$150,000 per outside director; and
- the aggregate number of Common Shares reserved for issuance to outside directors under the 2026 Stock Option Plan may not exceed 1% of the total number of issued and outstanding Shares.

Corporate Changes

If the Corporation subdivides, consolidates or reclassifies its outstanding Common Shares or completes any other capital adjustment, the number of Common Shares reserved or authorized to be reserved under the 2026 Stock Option Plan and the number of Common Shares receivable on the exercise of any outstanding Options and the relevant Option price will be increased or decreased proportionately, as appropriate, and other adjustments will be made as deemed necessary or equitable by the Board.

If the Corporation amalgamates, consolidates or merges with or into another body corporate, Option holders are entitled to receive other securities, property or cash (in lieu of Common Shares) a participant would have received upon such amalgamation, consolidation or merger, had the Options been exercised for Common Shares immediately prior thereto and the Option price adjusted as deemed necessary or equitable by the Board.

If it is imminent that Common Shares will be exchanged or replaced with those of another company because of a proposed merger, amalgamation, or other corporate arrangement or reorganization, the Board may, in a fair and equitable manner, at its option determine the manner in which all unexercised option rights granted under the 2026 Stock Option Plan shall be treated including, for example, requiring the acceleration of the period for exercising Options under the 2026 Stock Option Plan and for fulfilling any conditions or restrictions when they are exercised, among other things.

If a third party makes an offer to buy all of the Common Shares by means of a take-over bid circular, the Board may, in a fair and equitable manner, at its option require the acceleration of the period for exercising Options under the 2026 Stock Option Plan and for fulfilling any conditions or restrictions when they are exercised.

Plan Amendments

The Board may, without Shareholder approval, amend, suspend or terminate the 2026 Stock Option Plan, any Option or any portion thereof (subject to applicable law and regulatory approval), provided that no amendment, suspension or termination may adversely affect the rights of any Option holder with respect to outstanding and unexercised Options held by such Option holder without the Option holder's consent. The Board may make housekeeping amendments without Shareholder approval (including amendments to reflect changes in laws and requirements of the TSX or any other exchange on which the Shares are listed or posted for trading, amendments to address applicable securities or tax laws and amendments with respect to administration of the 2026 Stock Option Plan). Shareholder approval will be required for any amendment to:

- increase to the percentage of issued and outstanding Common Shares available for issuance under the 2026 Stock Option Plan;
- reduce the exercise price of an Option;
- cancel and reissue Options or substitute the Options with other awards or cash (other than pursuant to the adjustment provisions described above);
- extend the original term of the Option Period for exercise of Options other than as contemplated by the 2026 Stock

Option Plan;

- amend, remove or exceed the participation limits for Insiders;
- amend the eligibility for participation under the 2026 Stock Option Plan;
- permit Options granted under the 2026 Stock Option Plan to be transferable or assignable other than as contemplated by the 2026 Stock Option Plan; or
- the non-employee director eligibility, amendment and assignment provisions of the 2026 Stock Option Plan.

Other Terms and Conditions

- The 2026 Stock Option Plan contains requirements for the granting of qualified incentive stock options under the United States tax code.
- The Board can suspend or terminate the 2026 Stock Option Plan at any time, and impose other terms and conditions on any Options granted under the 2026 Stock Option Plan.
- The Board can change or terminate the 2026 Stock Option Plan and any outstanding Options if a securities regulator, stock exchange or market requires it as a condition of approving a distribution of Shares to the public, or to obtain or maintain a listing or quotation of the Shares.

Shareholder Approval

The 2026 Stock Option Plan has been conditionally approved by the Board and the TSX, subject to Shareholder approval.

If the Stock Option Plan Resolution is approved by Shareholders, the Corporation expects the Corporation's current Option Plan will be terminated in accordance with its terms.

Form of Resolution and Vote Required

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve an ordinary resolution (the "**Stock Option Plan Resolution**") authorizing and approving the 2026 Stock Option Plan and the unallocated options, rights or other entitlements issuable under the 2026 Stock Option Plan. The text of the 2026 Stock Option Plan Resolution, which will be submitted to Shareholders at the Meeting or any postponement or adjournment thereof, is set forth below:

"BE IT RESOLVED as an ordinary resolution of the Shareholders of the Corporation that:

1. The stock option share plan in the form attached as Schedule "D" to the Management Information Circular of Star Diamond Corporation dated March 30, 2026 (the "**2026 Stock Option Plan**") is hereby approved;
2. All unallocated options, rights or other entitlements issuable pursuant to the 2026 Stock Option Plan, as may be amended from time to time, are approved and authorized;
3. Future shareholder approval of the unallocated options, rights or other entitlements issuable pursuant to the 2026 Stock Option Plan will be required on or before May 14, 2029, being the date that is three years from the date of approval of this resolution; and
4. Any one director or executive officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution."

In order for the foregoing ordinary resolution to be adopted, it must be approved by the affirmative votes cast by holders of not less than a simple majority of the Common Shares represented in person or by proxy at the Meeting that vote on such resolution.

Unless otherwise directed, the designees named in the accompanying form of proxy intend to vote FOR the Stock Option Plan Resolution.

Text of Plan

The above summary of the 2026 Stock Option Plan is subject to the full text of the 2026 Stock Option Plan, a copy of which is attached to this Information Circular as Schedule “D”.

Other Business

The Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters identified in the Notice of Meeting. However, if any other matter properly comes before the Meeting or any adjournment thereof, proxies solicited hereunder will be voted on such matter in the discretion of and according to the best judgement of the proxyholder unless otherwise indicated on such proxy.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Corporation’s directors, executive officers or employees, or former directors, executive officers or employees, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended December 31, 2025, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

EXECUTIVE COMPENSATION

Compensation and Corporate Governance Committee, Composition and Responsibilities

The Corporation has a Compensation and Corporate Governance Committee (referred to in this section as the “**Committee**”) of its Board comprised of the following three directors, all of whom were independent as at December 31, 2025, as defined by National Instrument 52-110 *Audit Committees (“NI 52-110”)* of the Canadian Securities Administrators and have experience in dealing with compensation matters: Al Gourley (Chair), Leslie Markow and Krisztian Toth. The Committee is responsible for recommending to the Board annually a compensation philosophy and for establishing associated guidelines for which the President and CEO is to be responsible. The Committee is also responsible for reviewing the performance of the Corporation’s senior executives, for making recommendations to the Board with respect to compensation of the Corporation’s senior executives and for reviewing the compensation of the Corporation’s directors (as discussed earlier in this Information Circular). The Committee is also responsible for recommending to the Board on an annual basis the Compensation Discussion and Analysis to be included in the Corporation’s Information Circular. Each of the members of the Committee has experience setting and monitoring appropriate compensation levels in similar entities.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

The objectives of the Corporation’s compensation program are to provide a competitive base compensation as well as current and long-term incentives to the NEOs and other senior executives that are consistent with their individual performance and contribution to the Corporation’s objectives. Levels of compensation must be established and maintained with the intent of attracting, retaining and motivating superior quality executives and providing a level of compensation competitive with the rates paid to executives in other companies who have similar responsibilities and technical experience. The policies are designed to preserve cash to the extent practicable, with executives participating in the upside potential of the Corporation, through share-based compensation, that aim to represent Shareholder returns.

The compensation program emphasizes individual experience and performance. As such, executives holding similar positions may receive substantially different levels of compensation. If circumstances dictate, the Committee will adjust certain elements of total compensation upward or downward to ensure the Corporation’s compensation practices align with Shareholder interests while providing fair compensation to the Corporation’s NEOs. For example, when resources are limited, the cash-based short-term incentive program may be reduced or eliminated and replaced with higher levels of share-based compensation in the form of restricted share units (“**RSUs**”) and/or performance share units (“**PSUs**” and, together with RSUs, “**Units**”) and/or Option grants. Previous grants are also taken into account when considering new grants

of share-based compensation in the form of RSUs, PSUs and/or Option grants.

The Corporation has established compensation levels for the executives based on the individual's level of responsibility, the importance of the position to the Corporation, the individual's contribution to the Corporation's performance and comparisons of compensation for similar positions in the Canadian mining industry (as reported by independent national mining compensation surveys) or from other publicly available information of publicly traded companies of similar size and scope. Surveys which use data from Canadian mining companies with various market capitalizations and at various stages of development may be utilized to help establish a reasonable basis and/or range for compensation of the Corporation's NEOs.

Purpose of Executive Compensation Practices

The Corporation's executive compensation practices are designed to attract and retain talented personnel capable of achieving the Corporation's objectives. The Corporation also utilizes compensation programs to motivate and reward the Corporation's executives for the ultimate achievement of the Corporation's goals. The Corporation makes use of complementary short-term and long-term incentive programs intended to provide fair, competitive and motivational rewards in the short-term while ensuring that the executives' long-term objectives remain aligned with those of the Shareholders. The compensation practices employed by the Corporation are also designed to protect its executives from potential risks by providing reasonable benefits in the event a change of control occurs.

Total compensation for each NEO is designed to be near the median of the Corporation's comparator group. The comparator group is comprised of organizations that are similar to the Corporation in terms of scope and complexity and what the Corporation's Compensation & Corporate Governance Committee believes represents the market for executive talent. The Committee reviews each element of compensation for market competitiveness, and although it may weigh a particular element more heavily based on the NEO's role within the Corporation, it is primarily focused on remaining competitive in the market with respect to total compensation.

The following is a list of companies used to benchmark NEO compensation:

- | | |
|---------------------------|-------------------------------------|
| Excelsior Mining Corp. | International Tower Hill Mines Ltd. |
| Loncor Gold Inc. | Northern Dynasty Minerals |
| Novo Resources Corp. | Solitario Resources Corp. |
| Titan Mining Corp. | Talisker Resources Ltd. |
| Wallbridge Mining Company | Mountain Province Diamonds Inc. |
| Lucara Diamond Corp. | Liberty Gold Corp. |

Elements of the Executive Compensation Program

The Corporation's executive compensation is comprised of three components: (i) base compensation; (ii) short-term incentives; and (iii) long-term incentives.

Base compensation is designed to provide the executive a portion of his or her compensation with limited risk. An individual NEO's base salary is generally targeted at the median of the comparator group and is also dependent on the individual's level of responsibility, the importance of the position to the Corporation and the individual's contribution to the Corporation's performance. Executive compensation must also be compatible with the Corporation's cash flow.

Short-term incentives in the form of cash bonuses are based on subjective criteria, including the Corporation's ability to pay such bonuses, individual performance, the executive's contributions to achieving the Corporation's objectives, progress towards publicly stated milestones that lead to the maximization of the Corporation's assets and other competitive considerations. To facilitate the process, the Corporation has established cash bonus ranges based on the executive's level within the organization and comparing bonus payments for similar positions in its peer group. The ranges for cash bonuses are based on the following:

Position	Range (as a % of base compensation)
CEO	0% - 100%
CFO	0%
COO	0% - 100%

The Committee reviews with the CEO the performance of each executive and has the ability to award bonuses within the established ranges based on the criteria listed above, as well as the accomplishment of the Corporation's goals. Movements in the Corporation's share price in relation to the accomplishment of the publicly stated objectives and its performance in relation to its peer group may influence the Committee's decision regarding any amounts to be ultimately awarded. An executive that meets expectations in his or her role is targeted to receive 50% of the range stated above.

Long-term incentives are designed to motivate each of its NEOs to deliver sustainable long-term performance and links the NEO's interests with those of its shareholders. Long-term incentive awards will generally come in the form of Options. Options are awarded to directors and the CEO at the Committee's discretion, and on the recommendations of the CEO to the Committee for other NEOs and employees. Decisions with respect to Options granted are based upon the individual's level of responsibility and their contribution towards the Corporation's goals and objectives. The Committee considers outstanding Options granted under the Option Plan held by management in determining whether to make any new grants of Options, and the quantum or terms of any Options grant.

In addition, it is the intention of the Committee that the performance share unit and restricted share unit plan dated April 1, 2024 (the "**Unit Plan**") (as further described in this Information Circular under "*Equity Compensation Plans*") also be used to provide short-term and long-term incentives by awarding RSUs with vesting terms shorter than the Unit Plan's standard three annual vesting tranches. By doing so, the goal of motivating and retaining personnel can be fulfilled (both short-term and long-term incentives) while also conserving cash. Senior officers and non-executive employees are eligible to receive a combination of Options and/or RSUs and/or PSUs.

Performance Goals

Given the stage of development of the Corporation, the Committee is unable to focus on objective quantifiable metrics such as earnings per share or return on investment. Though the Committee does not use objective quantifiable metrics to measure performance of the NEOs at this stage of the Corporation's development, the Corporation, as part of its Code of Ethics, has put in place requirements for the CEO and CFO to reimburse the Corporation for certain benefits received if the Corporation is required to restate its financial statements due to material non-compliance with any financial reporting requirement under securities law as a result of misconduct.

The key performance goal of the Corporation is to ultimately develop a commercial diamond mine. The Committee assesses the senior executive officer's performance against short-term milestones to achieve this ultimate goal. The completion of these milestones may take several years and does not necessarily match traditional calendar year compensation reviews. As such, when making their assessments for incentive awards, the Committee reviews progress against such milestones and how senior management has been able to react to changing circumstances. As the Corporation develops its assets, it is the Committee's intention to develop operational and strategic objectives for each of the NEOs which will reinforce the Corporation's business strategy by rewarding the achievement of key metrics, both annual and long-term.

Implications of Risks of Compensation Policies and Practices

The Committee has considered the implications of the risks to the Corporation associated with decisions regarding compensation of NEOs. In designing and implementing the Corporation's compensation, the Committee and the Board assess the risks associated with the Corporation's compensation policies and practices. The structure of incentive compensation for executives is designed not to focus on a single metric, which in the Corporation's view could be distortive, but instead a combination of both corporate and personal objectives as well as discretion in the ultimate awards, that balance long term objectives and short-term objectives.

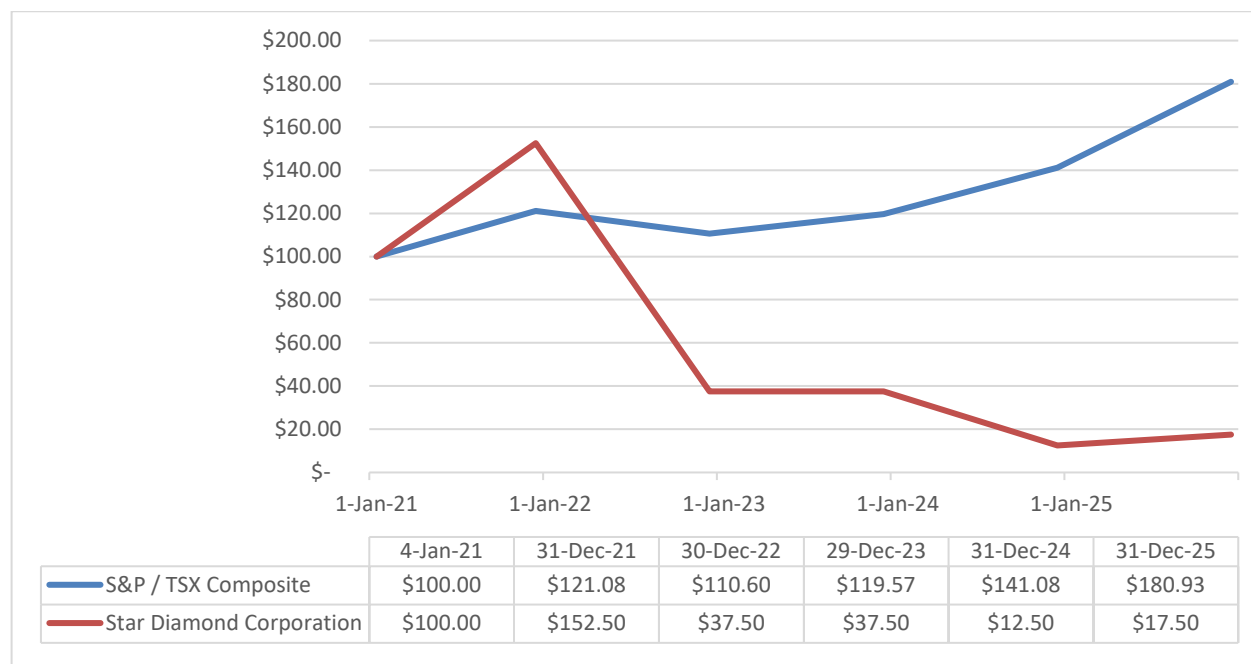
Compensation of NEOs is determined by negotiation of set amounts between the Corporation and the individual, or at the discretion of the Committee relating to any potential bonus or stock option incentive plan awards, based on subjective performance criteria, rather than tied to quantitative goals. Accordingly, the Committee is of the view that there is no material risk of the Corporation's NEOs or directors taking, as a result of the compensation process, inappropriate or excessive risks during the performance of their duties that are reasonably likely to have a material adverse effect on the Corporation.

To assist in mitigating risk, the Corporation has a policy restricting NEOs and directors from engaging in short selling or trading in puts or calls of securities of the Corporation. In addition, the Corporation also has black out policies pertaining to financial and material information as well as a policy which prohibits the trading of the Corporation's securities, including

Options, without prior approval. These policies pertain to employees, officers and directors of the Corporation. Compliance with regulations is also considered when determining incentive compensation, including bonus and long-term incentive awards.

Performance Graph

The following graph compares the yearly percentage change in the cumulative Shareholder return over the last five years of the Common Shares of the Corporation (assuming a \$100 investment was made on January 1, 2021) with the cumulative total return of the S&P/TSX Composite Index assuming reinvestment of dividends.



Compensation Trend Compared to Performance Graph

The Corporation's share performance was generally below that of the S&P/TSX Composite Index from 2021 through 2025. Overall, the Corporation's total compensation to NEOs over this five-year period was significantly influenced by the impact the Corporation's share price (and related volatility) had on the fair value determination of certain non-cash compensation awarded (Options and RSUs). Also contributing to the overall decrease in total compensation to NEOs over this five-year period was the Corporation's decision not to award short-term incentives (cash bonuses).

The ability to settle RSUs with Common Shares from treasury allows the Corporation to manage the cash expense of providing these incentives to the Corporation's NEOs and employees. The Corporation does not intend at this time to make cash payments and there is no history of the Corporation making cash payments under the Unit Plan. The calculation of the fair value of Options, using option pricing models such as the Black-Scholes pricing model, can cause total compensation calculations to be very volatile when dealing with a company in the development stage. This value is not necessarily equivalent to the grant date fair value of Options and RSUs granted to the NEO, as reported in the "Summary Compensation Table for NEOs". Also see "Outstanding Equity Awards for NEOs".

The Committee considers a number of factors in connection with its determination of appropriate levels of compensation which is discussed in the "Compensation Discussion and Analysis" and does not look exclusively at the trading price of the Common Shares on the TSX to make its determination.

Summary Compensation Table for NEOs

The following table sets forth all direct and indirect compensation earned by the persons who served as NEOs of the Corporation during the fiscal year ended December 31, 2025, for each of the years ended December 31, 2025, 2024, and 2023, as applicable:

Named Executive Officer	Year	Salary (1) (\$)	Share-based awards (2) (\$)	Option-based awards (3) (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-term Incentive Plans (\$)			
Lester Kemp CEO ⁽⁴⁾	2025	12,000	-	-	-	-	-	-	12,000
Carmelo Marrelli CFO ⁽⁵⁾	2025	92,584	-	16,400	-	-	-	-	108,984
Ewan D. Mason, President and CEO ⁽⁶⁾	2025	198,691	-	-	-	-	-	-	198,691
	2024	236,538	52,500	42,753	-	-	-	-	331,791
	2023	176,550	166,500 ⁽¹¹⁾	94,765 ⁽¹²⁾	-	-	-	-	437,815
George Read, SVP Corporate Development ⁽⁷⁾	2025	30,000	-	61,500	-	-	-	-	91,500
	2024	180,000	-	18,656	-	-	-	-	198,656
	2023	75,000	-	41,352	-	-	-	-	116,352
Richard Johnson, CFO ⁽⁸⁾	2025	-	-	-	-	-	-	-	-
	2024	120,743	-	14,251	-	-	-	-	134,994
	2023	91,316	-	52,962	-	-	-	-	144,278
Mark Shimell, COO ⁽⁹⁾	2025	196,097	-	49,200	-	-	-	-	245,297
	2024	199,359	-	10,105	-	-	-	-	209,465
	2023	83,060	-	22,399	-	-	-	-	105,459
Nelson Karun, Diamond Specialist ⁽¹⁰⁾	2025	184,140	-	36,900	-	-	-	-	221,040
	2024	163,777	-	10,987	-	-	-	-	174,764

Notes:

- (1) Amounts represent annual base compensation (cash compensation) earned in the year.
- (2) Amounts represent the total grant date fair value of RSUs and/or DSUs (non-cash share-based compensation) granted in the year and does not represent the amounts the NEOs may actually realize from the awards. The fair value of share-based payments in the form of RSUs and/or DSUs is determined based on the five-day volume weighted average trading price of the Common Shares preceding the date of grant.
- (3) Amounts represent the total fair value of Options (non-cash share-based compensation) vested in the year and does not represent the amounts the NEOs may actually realize from the awards.
- (4) Lester Kemp was appointed CEO on November 20, 2025.
- (5) Carmelo Marrelli was appointed CFO on January 1, 2025.
- (6) Ewan D. Mason resigned as President and CEO effective November 20, 2025.
- (7) George Read resigned as SVP Corporate Development effective February 28, 2025 and assumed the role of Senior Technical Advisor.
- (8) Richard Johnson resigned as CFO effective January 1, 2025.
- (9) Mark Shimell was appointed COO on November 20, 2025.
- (10) Nelson Karun was appointed Diamond Specialist on February 13, 2024.
- (11) \$76,500 of Mr. Mason's 2023 share-based awards relate to contributions made in 2022 but were not granted as the Corporation was in a blackout period and was unable to issue share-based incentive awards pursuant to the Corporation's blackout policy.
- (12) \$8,550 of Mr. Mason's 2023 option-based awards relate to contributions made in 2022 but were not granted as the Corporation was in a blackout period and was unable to issue option-based incentive awards pursuant to the Corporation's blackout policy.

Outstanding Equity Awards for NEOs

The following table sets forth, for each NEO, information regarding all share-based and option-based awards that are outstanding as of December 31, 2025:

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (\$)
Ewan D. Mason	156,000 1,650,000	0.215 0.090	February 1, 2026 December 7, 2028	- -	333,334	11,667	-
Lester Kemp	-	-	-	-	-	-	-
Carmelo Marrelli	400,000	0.055	April 16, 2030	-	-	-	-
George Read	720,000 1,500,000	0.090 0.055	December 7, 2028 April 16, 2030	- -	-	-	-
Richard Johnson	400,000 550,000	0.090 0.090	November 29, 2028 December 7, 2028	- -	-	-	-
Mark Shimell	390,000 1,200,000	0.090 0.055	December 7, 2028 April 16, 2030	- -	-	-	-
Nelson Karun	200,000 600,000	0.085 0.055	April 1, 2029 April 16, 2030	-	-	-	-

Notes:

- (1) The value of the unexercised in-the-money Options has been calculated based on the difference between the exercise price of the Options and the closing price of the Common Shares on December 31, 2025 of \$0.035.
- (2) Market or payout value of vested DSUs has been calculated based on the closing price of the Common Shares on December 31, 2025 of \$0.035.

NEO Incentive Plan Awards – Value Vested or Earned

The following table sets forth, for each NEO, the value vested or earned on all share-based awards in 2025:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ewan D. Mason	-	-	-
Lester Kemp	-	-	-
Carmelo Marrelli	-	-	-
George Read	-	-	-
Richard Johnson	-	-	-
Mark Shimell	-	-	-

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nelson Karun	-	-	-

Notes:

- (1) Represents the aggregate dollar value that would have been realized if Options had been exercised on the vesting date, based on the difference between the closing price of the Corporation’s Common Shares on the TSX on the vesting date and the exercise price of the Options. The Options vested on the day they were granted. Accordingly, no value vested during the year. Options were granted to NEOs on April 16, 2025.
- (2) The value vested during the year is based on the aggregate dollar value of the number of RSUs and DSUs vested during the year multiplied by the closing price of the Corporation’s Common Shares on the TSX on the vesting date.

Management and Consulting Contracts

The President and Chief Executive Officer, Ewan D. Mason, provides services to the Corporation through 208426 Ontario Inc, a company controlled by Ewan D. Mason. Compensation paid to 208426 Ontario Inc. for services provided by Ewan D. Mason during the most recently completed financial year is disclosed under “*Summary Compensation Table for NEOs*” above.

The SVP Corporate Development, George Read, provides services to the Corporation through George Read Consulting Inc, a company controlled by George Read. Compensation paid to George Read Consulting Inc for services provided by George Read during the most recently completed financial year is disclosed under “*Summary Compensation Table for NEOs*” above.

The Chief Financial Officer, Carmelo Marrelli, provides services to the Corporation through Marrelli Support Services Inc., a company controlled by Carmelo Marrelli. Compensation paid to Marrelli Support Services Inc. for services provided by Carmelo Marrelli during the most recently completed financial year is disclosed under “*Summary Compensation Table for NEOs*” above.

Pension Plan Benefits

The Corporation does not have any material retirement or pension benefits plans.

Termination of Employment, Change in Responsibilities, and Employment Contracts

Neither the Corporation nor any of its subsidiaries has any plan or arrangement with respect to compensation to the NEOs that would result from the resignation, retirement or any other termination of the NEOs’ employment with the Corporation and its subsidiaries or from a change of control of the Corporation or any subsidiary of the Corporation or a change in the NEO’s responsibilities following a change in control.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides information with respect to the total number of Common Shares authorized for issuance upon the exercise of outstanding equity compensation plans as at December 31, 2025:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Options	14,618,000 ⁽¹⁾	\$0.09	62,773,409 ⁽²⁾

Plan Category		Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Compensation plans approved by securityholders	RSUs	-	-	
	DSUs	-	-	
	PSUs	-	-	
Equity compensation plans not approved by securityholders		-	-	-
Total		14,618,000	N/A	62,773,409

Notes:

- (1) As at March 30, 2026, 58,660,000 Options were issued and outstanding, representing 7.6% of the issued and outstanding Common Shares.
- (2) The plans stipulate a maximum 10% rolling pool of Common Shares issuable under all plans, which equates to 18,731,409 Common Shares as at March 30, 2026.

The following table provides the aggregate number of Options granted pursuant to the Corporation's stock option plan dated April 1, 2024 (the "**Option Plan**"), the aggregate number of RSUs granted pursuant to the Unit Plan, the aggregate number of DSUs granted pursuant to the deferred share unit plan dated April 1, 2024 ("**DSU Plan**"), and the annual burn rate represented thereby, for each of 2025, 2024, and 2023.

Year	Option Plan		Unit Plan		DSU Plan	
	Number of Options	Burn Rate	Number of RSUs	Burn Rate	Number of DSUs	Burn Rate
2025	4,450,000	0.65%	3,295,124	0.48%	2,500,000	0.37%
2024	250,000	0.04%	Nil	0.00%	nil	0.00%
2023	7,760,000	1.63%	1,500,000	0.31%	1,550,000	0.33%

EQUITY COMPENSATION PLANS

If the Stock Option Plan Resolution is approved by Shareholders, the Corporation expects the Corporation's current Option Plan will be terminated in accordance with its terms. Additionally, the Corporation expects the Unit Plan will be terminated in accordance with its terms following the Meeting. Both plans were cancelled on the board meetings of March 26th 2025.

Option Plan

During 2025, Shareholders approved an ordinary resolution to ratify and approve the Option Plan and all unallocated Options reserved for issuance under the Option Plan. The following summary is qualified in its entirety by reference to the full text of the Option Plan, which is available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

Purpose

The purpose of the Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and Service Providers (persons or companies engaged to provide services for an initial period of twelve (12) months or more) of the Corporation and its affiliates to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Corporation; (ii) aligning the interests of such persons with the interests of the Corporation's Shareholders generally; (iii) encouraging such persons to remain associated with the Corporation; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Corporation.

Eligible Participants

The Option Plan authorizes the Board to issue Options to directors, officers, employees and Service Providers (the “**OP Participants**”) of the Corporation and its affiliates.

Shares Subject to the Option Plan

The number of Common Shares reserved for issuance pursuant to the exercise of Options granted under the Option Plan shall, in the aggregate, not exceed ten percent (10%) of the number of Common Shares then issued and outstanding, less the number of Common Shares issuable pursuant to all other security based compensation arrangements of the Corporation. Where Options: (i) are exercised; or (ii) expire or terminate for any reason without having been exercised in full, the Common Shares in respect of such Options shall be available for the purpose of granting Options under the Option Plan. Any and all increases in the issued and outstanding Common Shares shall result in an increase in the available number of Options issuable under the Option Plan and any Common Shares issued upon the exercise of Options will allow for corresponding additional grants of Options under the Option Plan.

Limitations on Issuances

The aggregate number of Common Shares issuable at any time to “insiders” (as defined in securities legislation and also including associates and affiliates of any insider) under the Option Plan and all other security based compensation arrangements cannot exceed ten percent (10%) of the issued and outstanding Common Shares. During any one-year period, the Corporation shall not issue to insiders, under the Option Plan and all other security compensation arrangements, a number of Common Shares exceeding ten percent (10%) of the issued and outstanding Common Shares. In addition, the number of Common Shares issuable to outside directors at any time, under the Option Plan and all other security based compensation arrangements cannot exceed 1% of the issued and outstanding Common Shares. In addition, the aggregate value of all grants of Options to any outside director cannot exceed \$100,000 in any one year.

Exercise Price

The Board shall, at the time an Option is granted under the Option Plan, fix the exercise price provided that Options issued pursuant to the Option Plan must have an exercise price not less than the closing price of the Common Shares on the TSX on the trading day prior to the day of grant.

Term of Options

The period during which an Option may be exercised shall be determined by the Board at the time the Option is granted, subject to any vesting limitations which may be imposed by the Board at the time such Option is granted, provided no Option shall be exercisable for a period exceeding 10 years from the date the Option is granted (the “**Option Period**”). Notwithstanding the foregoing, if the expiry date of an Option occurs during a period during which the trading in securities of the Corporation is prohibited in accordance with the trading policies of the Corporation (a “**Blackout Period**”) applicable to the holder of such Options, or within nine days after the expiry of a Blackout Period applicable to such holder, then the expiry date for that Option shall be the date that is the tenth day after the expiry of the Blackout Period.

Vesting of Options

The Board is authorized to provide for the method of vesting of Options.

Cessation of Entitlement to Options

Options granted under the Option Plan expire on the earlier of the date of the expiration of the Option Period and 90 days after the date an OP Participant ceases to hold the position or positions of director, officer, employee or Service Provider of the Corporation for any reason other than death, permanent disability or termination for cause, as the case may be.

In the event of the death or permanent disability of a holder, any Option previously granted shall expire on the earlier of the date of expiration of the Option Period and three years (in the case of directors) or one year (in the case of all other OP Participants) after the date of death or permanent disability of such OP Participant. If a termination occurs as a result of dismissal for cause, all Options held by the OP Participant shall immediately terminate and be null and void.

The Board may, in its discretion, provide for the extension of the exercisability of an Option for any period that is not beyond the applicable expiration date thereof or accelerate the vesting or exercisability of an Option.

Adjustments

In the event of any subdivision, redivision, consolidation, reclassification, change or reorganization of the Common Shares and subject to approval by the TSX, an OP Participant is entitled to receive upon exercise of any Option such securities they would have been entitled to receive in respect of the number of Common Shares in respect of which such Option is being exercised had such Option been exercised before such change or other event.

Transferability

Options granted under the Option Plan are non-assignable and non-transferable except pursuant to laws of succession.

Amendments

The Board may, at any time, amend, suspend or terminate the Option Plan, or any portion thereof, or any Option granted thereunder, without Shareholder approval, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of Shareholders or any governmental or regulatory body. Notwithstanding the foregoing, Shareholder approval will be required for: (i) amendments to the number of Shares issuable under the Option Plan; (ii) any amendment to the length of the automatic extension where an Option would otherwise expire in the Blackout Period; (iii) any amendment that would result in an exercise price for an Option being lower than the market price at the time the Option is granted; (iv) any amendment that reduces the exercise price or purchase price of an Option; (v) any amendment extending the term of an Option beyond its original expiry date; (vi) the addition of any form of financial assistance; (vii) any amendment that would have the potential of broadening or increasing insider participation; (viii) any amendment to the limit on the Common Shares reserved for issuance for directors; (ix) any amendment to the amending provisions of the Option Plan; (x) any amendment to the restrictions on the assignment of Options; and (xi) amendments required to be approved by Shareholders under applicable law (including the rules of the TSX).

Change of Control

In the event of a sale by the Corporation of all or substantially all of its assets or in the event of a change in control of the Corporation, each holder shall be entitled to exercise, in whole or in part, the Options granted to such holder, either during the Option Period or within 90 days after the date of the sale or change of control, whichever first occurs.

Unit Plan

In 2024, Shareholders approved an ordinary resolution to ratify and approve the Unit Plan and all unallocated awards reserved for issuance under the Unit Plan. The following summary is qualified in its entirety by reference to the full text of the Unit Plan, which is available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

Purpose

The purpose of the Unit Plan is to provide Participants (as defined below) with the opportunity to acquire a proprietary interest in the growth and development of the Corporation. The Unit Plan is intended to align the interests of Participants with the interests of Shareholders, to encourage Participants to remain associated with the Corporation, to create incentives for Participants to meet certain performance criteria and enhance the Corporation's ability to attract, retain and motivate key personnel and reward officers and employees for significant performance.

Eligible Participants

The Unit Plan authorizes the Board to grant Units to officers and employees (individually a "**Participant**" and collectively "**Participants**").

Administration

The Unit Plan shall be administered by the Board in accordance with its provisions. All costs and expenses of administering

the Unit Plan will be paid by the Corporation. The Board may, from time to time, establish administrative rules and regulations and prescribe forms or documents relating to the operation of the Unit Plan as it may deem necessary to implement or further the purpose of the Unit Plan and amend or repeal such rules and regulations or forms or documents. In administering the Unit Plan, the Board may seek recommendations from the Chairman or from the CEO. The Board may also delegate to any director, officer or employee of the Corporation such duties and powers relating to the Unit Plan as it may see fit. The Corporation may also appoint or engage a trustee, custodian or administrator to administer or implement the Unit Plan.

Limitations on Issuances

The Unit Plan provides that: (i) the number of Common Shares reserved for issuance from treasury pursuant to the Units credited under the Unit Plan shall, in the aggregate, equal 10% of the number of Common Shares then issued and outstanding, less the number of Common Shares issuable pursuant to all other security based compensation arrangements (as such term is referred to in the policies of the TSX) of the Corporation; (ii) the aggregate number of Common Shares issuable from treasury to any one Participant under the Unit Plan and all other security based compensation arrangements of the Corporation shall not exceed 5% of the issued and outstanding Common Shares; (iii) the aggregate number of Common Shares issuable from treasury to insiders (as defined by the TSX) under the Unit Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares; (iv) during any one-year period, the aggregate number of Common Shares issued from treasury to insiders under the Unit Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares; (v) this paragraph and the Corporation's right to elect to satisfy Units by the issuance of Common Shares from treasury will be effective only upon receipt, from time to time, of all necessary approvals of the Unit Plan, as amended from time to time, as required by the rules, regulations and policies of the TSX and any other stock exchange on which Common Shares are listed or traded; (vi) if any Unit granted under the Unit Plan shall expire, terminate or be cancelled for any reason (including, without limitation, the satisfaction of the Unit by means of a cash payment) without being paid out or settled in the form of Common Shares issued from treasury, any unissued Common Shares to which such Units relate shall be available for the purposes of the granting of further Units under the Unit Plan or other securities pursuant to all other security based compensation arrangements of the Corporation, and if any rights to acquire Common Shares granted under any other security based compensation arrangements of a member of the Corporation shall be exercised, or shall expire or terminate for any reason without having been exercised in full, any Common Shares to which such security relates shall be available for the purposes of granting further securities under the Unit Plan; and (vii) any and all increases in the issued and outstanding Common Shares shall result in an increase in the available number of Common Shares reserved for issuance from treasury pursuant to the Units credited under the Unit Plan, and any Common Shares issued in lieu of cash payment will allow for corresponding additional Common Shares reserved for issuance from treasury pursuant to the Units credited under the Unit Plan.

Pursuant to the TSX rules, the Corporation is required to seek Shareholder approval with respect to all unallocated Units under the Unit Plan every three years following the initial adoption of the Unit Plan.

Grant of Units and Vesting

The Corporation may, from time to time, grant Units to a Participant in such numbers, at such times (the "**Date of Grant**") and on such terms and conditions, consistent with the Unit Plan, as the Board may in its sole discretion determine; provided, however, that no Units will be granted after November 30 of a given calendar year. For greater certainty, the Board shall, in its sole discretion, determine any and all performance conditions to the vesting of any Units granted to a Participant. Unless otherwise provided in the applicable award agreement evidencing the terms and conditions under which an award of Units has been granted under the Unit Plan (the "**Award Agreement**"), the granting of Units to any Participant under the Unit Plan in any calendar year shall be awarded solely in respect of performance of such Participant in the same calendar year (the "**Service Year**"). In all cases, the Units shall be in addition to, and not in substitution for or in lieu of, ordinary salary and wages received by such Participant in respect of his or her services to his or her employer (being either the Corporation or one of its subsidiaries, the "**Employer**").

On each Date of Grant, the relevant account (the "**Account**") maintained by the Corporation for each Participant shall be credited with the applicable Unit on that date.

In the case of PSUs, the Board shall designate, at the time of grant or credit of PSUs, the date or dates on which all or a portion of the PSUs shall vest and any performance conditions to such vesting, provided that no such vesting condition shall

extend beyond November 30 of the third calendar year following the Service Year in respect of which the PSUs were granted and provided further that all vesting conditions shall be such that the PSUs comply with the exception to the definition of “salary deferral arrangement” contained in the *Income Tax Act* (Canada). Unless otherwise provided in the Award Agreement, or determined by the Board, the number of PSUs, ranging from 0% and 200% of the PSUs originally credited to the Account) shall vest in accordance with the Corporation’s TSR Percentile Payout Percentage (as defined in the Unit Plan) based on the total Shareholder return of the Corporation relative to the total Shareholder return of the Corporation’s peer group, as determined by the Board.

In the case of RSUs, the Board shall designate, at the time of grant or credit of RSUs, the number of RSUs that shall vest at any given date, the date or dates on which all or portion of the RSUs shall vest and any conditions to such vesting which shall be set out in the applicable Award Agreement. Unless otherwise provided in the Award Agreement, all RSUs shall vest as follows:

- 1/3 of the RSUs shall vest on the first anniversary of the Date of Grant (the “**RSU First Vesting Date**”);
- an additional 1/3 of the RSUs shall vest on the second anniversary of the Date of Grant (the “**RSU Second Vesting Date**”); and
- the final 1/3 of the RSUs shall vest on the third anniversary of the Date of Grant (the “**RSU Third Vesting Date**”).

A Participant’s Account shall from time to time, during the period commencing on the Date of Grant and ending when the Participant becomes entitled to any vested Units, be credited with additional Units the value of which shall reflect any dividends declared by the Corporation and that would have been paid to the Participant if the Units in his or her Account on the relevant record date for dividends on the Common Shares had been Common Shares (excluding ordinary-course dividends paid in the form of additional Common Shares). Any such Units so credited shall be subject to the same terms and conditions with respect to vesting as the underlying Units.

Redemption

The Unit Plan provides that, on a date to be determined by the Board, in its sole discretion, following the day on which any Units become vested (which date shall be on or before that date which is three years following the end of the Service Year in respect of which such Units were granted) (the “**Unit Entitlement Date**”), such vested Units shall be redeemed and paid by the Employer to the Participant or the Participant’s Beneficiary, as applicable, in an amount equal to the fair market value (the five-day volume weighted average trading price of the Corporation’s Common Shares on the TSX) of the vested RSUs or PSUs, as applicable.

Notwithstanding the foregoing, the Employer may, in its sole discretion and in lieu of the foregoing cash payment, either issue (or, subject to the consent of the Board which may be withheld in its sole discretion, cause to be issued) to the Participant or the Participant’s beneficiary, as applicable or through a broker designated by the Participant, acquire on behalf of such Participant or the Participant’s beneficiary, as applicable, the number of whole Common Shares that is equal to, or is a proportion of, the number of whole vested Units recorded in the Participant’s Account (less any amounts in respect of any applicable taxes and other source deductions required to be withheld by the Employer) on the Unit Entitlement Date. If the Employer elects to arrange for the purchase of Common Shares by a broker on behalf of the Participant, the Employer shall contribute to the broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Common Shares to which the Participant is entitled and the broker shall, as soon as practicable thereafter, purchase those Common Shares, on behalf of such Participant, on the TSX (or other stock exchange on which the Common Shares are listed or traded). If, after issuance of the Common Shares or the purchase of Common Shares by a broker as set forth above, an amount remains payable under the Unit Plan in respect of vested Units credited to the Participant, the Employer shall pay such remaining amount in cash (net of any applicable taxes and other source deductions required to be withheld by the Employer) to the Participant or the Participant’s Beneficiary, as applicable.

Notwithstanding any other provision of the Unit Plan, all amounts payable (whether in cash, Common Shares or other property) to, or in respect of, a Participant shall be paid (as issued, as applicable) within three years following the end of the Service Year in respect of which the applicable Units were granted.

Cessation of Entitlement to Units

Any Unit which does not become a vested Unit in accordance with the terms of the applicable grant of Units shall be terminated and forfeited as of such date. Upon the Participant terminating employment with the Corporation for any reason including, without limitation, due to involuntary termination with or without cause or voluntary termination by the Participant, all Units previously credited to such Participant's Account which did not become vested on or prior to the Participant's date of termination shall be terminated and forfeited as of such date.

Upon the Participant terminating employment with the Corporation and its subsidiaries and affiliates by reason of the death of the Participant, a number of Units previously credited to such Participant's Account which did not become vested on or prior to the date of termination shall vest on such date in accordance with the following:

- (i) In the case of PSUs, such Units shall continue to vest in accordance with their terms, provided that only a pro rata proportion of such PSUs that would otherwise vest in accordance with their terms shall vest based on the number of days between the Date of Grant of such PSUs and the Participant's termination date versus the number of days in the entire PSU performance period for such PSUs (as set forth in the Award Agreement).
- (ii) Where the Participant's date of termination is:
 - a. Prior to the RSU First Vesting Date, a pro rata proportion of such RSUs shall become vested based on the number of days between the Date of Grant and the Participant's termination date versus the number of days between the Date of Grant and the date all of the RSUs would become vested;
 - b. on or after the RSU First Vesting Date but prior to the RSU Second Vesting Date, a pro rata proportion of such RSUs shall become vested based on the number of days between the RSU First Vesting Date and the Participant's termination date versus the number of days between the RSU First Vesting Date and the date all of the RSUs would become vested; and
 - c. on or after the RSU Second Vesting Date but prior to the RSU Third Vesting Date, a pro rata proportion of such RSUs shall become vested based on the number of days between the RSU Second Vesting Date and the Participant's termination date versus the number of days between the RSU Second Vesting Date and the RSU Third Vesting Date.

Transferability

The Unit Plan provides that Participants may, by written instrument filed with the Corporation, appoint a person to receive any amount payable under the Unit Plan in the event of a Participant's death or, failing any such effective designation, the Participant's estate (the "**Beneficiary**"). The interest of any Participant under the Unit Plan or in any Unit shall not be transferable or alienable by him or her either by pledge, assignment or in any other manner whatsoever, otherwise than by testamentary disposition or in accordance with the laws governing the devolution of property in the event of death; and after his or her lifetime shall enure to the benefit of and be binding upon the Beneficiary.

Amendments

The Unit Plan provides that the Board may at any time, without further action by or approval of, the Shareholders, amend the Unit Plan or any Unit granted under the Unit Plan in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to:

- (a) ensure that Units granted under the Unit Plan will comply with any provisions respecting performance share units, restricted share units or other security based compensation arrangements in the *Income Tax Act* (Canada) or other laws in force;
- (b) cure any ambiguity, error or omission in the Unit Plan or Unit or to correct or supplement any provision of the Unit Plan that is inconsistent with any other provision of the Unit Plan;
- (c) comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed;

- (d) amend the provisions of the Unit Plan respecting administration or eligibility for participation under the Unit Plan;
- (e) make amendments of a “housekeeping” nature;
- (f) change the terms and conditions on which Units may be or have been granted pursuant to the Unit Plan, including a change to, or acceleration of, the vesting provisions of Units (provided that no extension to the term benefitting an insider is permissible);
- (g) amend the treatment of Units on ceasing to be an officer or employee; and
- (h) change the termination provisions of Units or the Unit Plan.

The Board may not, however, without the consent of the Participants, or as otherwise required by law, alter or impair any of the rights or obligations under any Units granted. The Unit Plan also provides that Shareholder approval will be required to:

- (a) increase the maximum number of Common Shares issuable pursuant to the Unit Plan;
- (b) amend the determination of fair market value under the Unit Plan in respect of any Unit;
- (c) modify or amend the provisions of the Unit Plan in any manner which would permit Units, including those previously granted, to be transferable or assignable, other than for normal estate settlement purposes;
- (d) add to the categories of eligible Participants under the Unit Plan;
- (e) remove or amend the Insider Participation Restrictions;
- (f) change the termination provisions of Units or the Unit which would result in an extension beyond the original expiry date of a Unit held by an insider;
- (g) amend the amending provisions of the Unit Plan; or
- (h) make any other amendment to the Unit Plan where Shareholder approval is required by the TSX.

Change of Control

The Unit Plan provides that if, before the vesting of a Unit in accordance with the terms thereof, a Change of Control occurs and the Participant is terminated (either without cause or as a result of constructive dismissal), then, unless otherwise determined by the Board prior to the Change of Control, a pro rata proportion of the Units credited to a Participant’s Account which did not become vested on or prior to the date the Change of Control occurred shall vest in accordance with the terms of the Unit Plan: (i) in the case of PSUs, based on the period of time between the Date of Grant and the Change of Control versus the period of time in the original PSU performance period; and (ii) in the case of RSUs, based on the period of time between the Date of Grant and the date on which each tranche of the RSUs would have become vested.

As defined in the Unit Plan “Change of Control” means or shall be deemed to have occurred upon: (i) the acceptance by the shareholders of the Corporation, representing in the aggregate more than thirty-five percent (35%) of all issued and outstanding shares; (ii) the acquisition, including, without limitation, by way of an arrangement, merger or amalgamation of the beneficial ownership of Common Shares or rights to acquire Common Shares representing more than thirty five percent (35%) in aggregate of all issued and outstanding Common Shares (except where such acquisition is part of a *bona fide* reorganization of the Corporation); (iii) the passing of a resolution by the Corporation or the shareholders of the Corporation to substantially liquidate the assets or wind-up or significantly rearrange the affairs of the Corporation; (iv) the sale by the Corporation of all or substantially all of its assets; (v) persons who were proposed as nominees not constituting a majority of the directors of the Corporation following such election; or (vi) any other event which in the opinion of the Board reasonably constitutes a Change of Control of the Corporation.

Notwithstanding any other provision of the Unit Plan, in the event that Units become vested in connection with a Change of Control, the Board may by resolution determine that the fair market value with respect to such Units shall be the price per Common Share offered or provided for in the Change of Control transaction.

Substitution Event or Permitted Reorganization

Upon the occurrence of: (i) a Change of Control pursuant to which the Common Shares are converted into, or exchanged for, other property, whether in the form of securities of another person, cash or otherwise ("**Substitution Event**"); or (ii) a reorganization of the Corporation in circumstances where the shareholdings or ultimate ownership remains substantially the same upon the completion of the reorganization ("**Permitted Reorganization**"), the surviving or acquiring entity (the "**Continuing Entity**") shall, to the extent commercially reasonable, take all necessary steps to continue the Unit Plan and to continue the Units granted pursuant to the Unit Plan or to substitute or replace similar Units measurable in value to the securities in the Continuing Entity for the Units outstanding under the Unit Plan on substantially the same terms and conditions as the Unit Plan.

In the event that: (i) the Continuing Entity does not comply with the foregoing paragraph; (ii) the Board determines, acting reasonably, that compliance with the foregoing paragraph is not practicable; (iii) the Board determines, acting reasonably, that compliance with the foregoing paragraph would give rise to adverse tax results to holders of Units; or (iv) the securities of the Continuing Entity are not, or will not be, listed and posted for trading on a recognized stock exchange, then, unless otherwise determined by the Board, a pro rata proportion of the Units credited to a Participant's Account which did not become vested on or prior to the date of creation of the Continuing Entity shall vest, in accordance with the terms of the Unit Plan, and giving effect to the period of time between the Date of Grant and the date of creation of the Continuing Entity.

In the event that PSUs and RSUs become vested Units, the Board may by resolution determine that the fair market value with respect to such Units shall be the price per Common Share offered or provided for in the Substitution Event or Permitted Reorganization, as applicable.

Changes in Capital

If the number of outstanding Common Shares is increased or decreased as a result of a subdivision, consolidation, reclassification or recapitalization and not as a result of the issuance of Common Shares for additional consideration or by way of a dividend in the ordinary course, the Board shall, subject to TSX approval, make appropriate adjustments to the number of Units outstanding under the Unit Plan provided that the dollar value of Units credited to a Participant's Account immediately after such an adjustment shall not exceed the dollar value of the Units credited to such Participant's Account immediately prior thereto. Any determinations by the Board as to the adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under the Unit Plan.

DSU Plan

In 2024, Shareholders approved an ordinary resolution to ratify and approve the DSU Plan and all unallocated awards reserved for issuance under the DSU Plan. The following summary is qualified in its entirety by reference to the full text of the DSU Plan, which is available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

Purpose

A DSU is a phantom unit granted to an Eligible Director (as defined below) and that is represented by a bookkeeping entry on the books of the Corporation, the value of which on any particular date is equal to the fair market value (calculated as the five-day volume weighted average trading price of a Common Share traded for the five trading days immediately preceding the relevant date) of a Common Share of the Corporation. A DSU gives the director a right to settlement of that DSU (i.e. a right of redemption and payout) after the director ceases to be a director (and is not an employee) of the Corporation or an affiliate.

The DSU Plan is designed to: (i) promote a greater alignment of interests between directors of the Corporation and the Shareholders; (ii) provide a compensation system for directors that, together with the other director compensation mechanisms of the Corporation, is reflective of the responsibility, commitment and risk accompanying Board membership and the performance of the duties required of the various committees of the Board; (iii) assist the Corporation to attract and retain individuals with experience and ability to act as directors; and (iv) allow directors of the Corporation to participate in the long-term success of the Corporation.

Eligible Participants

The DSU Plan authorizes the Board to grant DSUs to eligible directors of the Corporation (individually an “**Eligible Director**” and collectively “**Eligible Directors**”). An Eligible Director means a director of the Corporation who does not receive employment income in respect of services rendered to the Corporation or any affiliate, otherwise than in his or her capacity as a member of the Board or a member of the board of directors of an affiliate.

Any individual who, at the relevant time, is an Eligible Director shall participate in the DSU Plan with respect to the Automatic DSU Retainer (defined below) and is eligible to participate in the DSU Plan with respect to the DSU Eligible Retainer (as defined in the DSU Plan), Meeting Fees (as defined in the DSU Plan) and any discretionary grant of DSUs. Except for DSUs which are credited to an Eligible Director’s Account in satisfaction of the Automatic DSU Retainer, eligibility to participate does not confer upon any individual a right to receive an award of DSUs in satisfaction of any other amounts or to receive any payment pursuant to the DSU Plan. Any individual who is, or will be, an Eligible Director in a particular calendar year shall complete and deliver a written participation and election agreement to the Board (the “**Participation and Election Agreement**”) within the time period specified by the Board.

Administration

The DSU Plan is administered by the Board (as recommended by the Compensation and Corporate Governance Committee).

Grant of Units and Vesting

Under the DSU Plan, the Board may determine that a certain percentage of the annual retainer payable to directors will automatically be satisfied in the form of DSUs (“**Automatic DSU Retainer**”). The percentage of the Automatic DSU Retainer is determined by resolution of the Board. It is the current intention of the Board that there be no Automatic DSU Retainer unless the applicable Eligible Director does not meet the minimum share ownership guidelines.

In addition, an Eligible Director may elect to receive all (but not less than all) of his DSU Eligible Retainer and/or Meeting Fees in the form of DSUs in lieu of cash. The number of DSUs issued from the election of the Eligible Director each quarter is calculated by dividing the electing director’s quarterly remuneration (which includes the DSU Eligible Retainer and/or Meeting Fees depending on such director’s election) by the weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the grant date (generally the last business day of each quarter).

In 2018, the DSU Plan was amended to correct the plan text to reflect that where an Eligible Director elects to receive their annual cash retainer in the form of DSUs, the DSUs will be issued in satisfaction of the annual cash retainer on a quarterly basis, and not annually. Such DSUs vest immediately upon grant and entitle the director to receive a cash payment or Common Shares from treasury on a payout date specified by the Board (which date is no earlier than the date on which an Eligible Director ceases to be a director) that is equal to an amount determined by multiplying the number of vested DSUs by the five-day volume weighted average trading price of the Corporation’s Common Shares on the TSX for the five-day period immediately preceding the applicable payout date.

In addition to DSUs granted in respect of the Automatic DSU Retainers and the DSU Eligible Retainer and Meeting Fees, the Board (on the recommendation of the Compensation and Corporate Governance Committee) may grant further “discretionary” DSUs to an Eligible Director in such number as it considers appropriate, in respect of the services the director renders to the Corporation as a member of the Board. The aggregate fair market value of any such discretionary grants to any one director shall not, as of the grant date, exceed \$100,000 in any one year.

The DSU Plan provides that the number of Common Shares reserved for issuance from treasury pursuant to the DSUs credited under the DSU Plan shall, in the aggregate, equal 10% of the number of Common Shares then issued and outstanding, less the number of Common Shares issuable pursuant to all other security based compensation arrangements (as such term is referred to in the policies of the TSX) of the Corporation. In addition, the aggregate number of Common Shares issuable to Eligible Directors, at any time, under all security based compensation arrangements, cannot exceed 1% of the issued and outstanding Common Shares.

The DSU Plan also provides that: (i) the aggregate number of Common Shares issuable from treasury to any one Eligible Director under the DSU Plan and all other security based compensation arrangements of the Corporation shall not exceed 5% of the issued and outstanding Common Shares; (ii) the aggregate number of Common Shares issuable from treasury to

insiders (as defined in the policies of the TSX) under the DSU Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares; (iii) during any one-year period, the aggregate number of Common Shares issued from treasury to insiders under the DSU Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares; (iv) this paragraph and the Corporation's right to elect to satisfy DSUs by the issuance of Common Shares from treasury will be effective only upon receipt, from time to time, of all necessary approvals of the DSU Plan, as amended from time to time, as required by the rules, regulations and policies of the TSX and any other stock exchange on which Common Shares are listed or traded; and (v) if any DSU granted under the DSU Plan shall expire, terminate or be cancelled for any reason (including, without limitation, the satisfaction of the DSU by means of a cash payment) without being paid out or settled in the form of Common Shares issued from treasury, any unissued Common Shares to which such DSU relate shall be available for the purposes of the granting of further DSUs under the DSU Plan or other securities pursuant to all other security based compensation arrangements of the Corporation. If any rights to acquire Common Shares held under any other security based compensation arrangements of a member of the Corporation shall be exercised, or shall expire or terminate for any reason without having been exercised in full, any Common Shares to which such security relates shall be available for the purposes of granting further securities under the DSU Plan.

Redemption

DSUs are to be redeemed as soon as practicable after the redemption date, but in any event no later than December 31 of the first calendar year following the calendar year in which the director ceased to be a director.

On a date to be determined by the Board, in its sole discretion, after the Eligible Director's Termination Date (the "**Redemption Date**"), the vested DSUs credited to the Eligible Director's Account shall be redeemed and shall be paid by the Corporation (less applicable withholding taxes) to the Eligible Director (or if the Eligible Director has died, to the Eligible Director's Beneficiary) in the form of a lump sum cash payment equal to the fair market value, or its equivalent in fully-paid Common Shares at the time (which may either be issued from treasury or acquired through the TSX), as soon as practicable after such Redemption Date, provided that in any event such payment shall be made no later than December 31 of the first calendar year commencing immediately after the Eligible Director's Termination Date. The fair market value of the DSUs shall be determined as of the Redemption Date.

Transferability

DSUs are non-transferable. Subject to the requirements of Applicable Law, an Eligible Director shall designate in writing a person who is a dependent or relation of the Eligible Director as a beneficiary to receive any benefits that are payable under the DSU Plan upon the death of such Eligible Director. The Eligible Director may, subject to applicable law, change such designation from time to time.

Amendments

The DSU Plan may be amended, suspended or terminated at any time by the Board, provided that no amendment made shall cause the DSU Plan to cease complying with certain requirements of the *Income Tax Act* (Canada). The DSU Plan provides that the Board may at any time, without further action by, or approval of, the Shareholders amend the DSU Plan or any DSU granted under the DSU Plan in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to:

- (a) ensure that DSUs granted under the DSU Plan will comply with any provisions respecting DSUs or other security based compensation arrangements in the *Income Tax Act* (Canada) or other laws in force in any country or jurisdiction of which an Eligible Director to whom a DSU has been granted may from time to time perform services or be resident;
- (b) cure any ambiguity, error or omission in the DSU Plan or DSU or to correct or supplement any provision of the DSU Plan that is inconsistent with any other provision of the DSU Plan;
- (c) comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed;
- (d) amend the provisions of the DSU Plan respecting administration or eligibility for participation under the DSU Plan;
- (e) make amendments of a "housekeeping" nature;

- (f) change the terms and conditions on which DSUs may be or have been granted pursuant to the DSU Plan, including a change to, or acceleration of, the vesting provisions of DSUs (provided that no extension to the term benefiting an insider is permissible);
- (g) amend the treatment of DSUs on ceasing to be an officer or employee; and
- (h) change the termination provisions of DSUs or the DSU Plan.

Any such amendments shall, if made, become effective on the date selected by the Board. The Board may not, however, without the consent of the Participants, or as otherwise required by law, alter or impair any of the rights or obligations under any DSUs theretofore granted.

The DSU Plan also provides that Shareholder approval will be required in order to:

- (a) increase the maximum number of Common Shares issuable pursuant to the DSU Plan;
- (b) amend the determination of Fair Market Value (as defined in the DSU Plan) under the DSU Plan in respect of any DSU;
- (c) modify or amend the provisions of the DSU Plan in any manner which would permit DSUs, including those previously granted, to be transferable or assignable, other than for normal estate settlement purposes;
- (d) add to the categories of Eligible Directors under the DSU Plan;
- (e) remove or amend the Insider Participation Restrictions;
- (f) change the termination provisions of DSUs or the DSU Plan which would result in an extension beyond the original expiry date of a DSU held by an insider;
- (g) amend this list; or
- (h) make any other amendment to the DSU Plan where Shareholder approval is required by the TSX.

Changes in Capital

DSUs may be adjusted if there is a subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares; or a consolidation, amalgamation, arrangement or other form of business combination of the Corporation with another person, or a sale, lease, or exchange of all or substantially all of the Corporation's property or other distribution of the Corporation's assets to Shareholders. In such a case, the DSU account of each director and the DSUs outstanding under the DSU Plan shall be adjusted in such manner, if any, as the Corporation may in its discretion deem appropriate to preserve, proportionally, the interests of directors under the DSU Plan. If dividends are paid on Common Shares, dividends will also be paid on the DSUs held by Eligible Directors on the dividend record date. The dividends on the DSUs are paid at the same rate as the dividend on Common Shares; however, DSU dividends will be credited to the director in the form of additional DSUs.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of Common Shares or otherwise, of any director or executive officer of the Corporation, or of any associate or affiliate of any of the foregoing, in any matter to be acted on at the Meeting, except as otherwise disclosed herein.

INTEREST OF INFORMED PERSONS AND OTHERS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no informed person (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) of the Corporation and no person nominated for election as a director of the Corporation (nor any associate or affiliate of any such person) had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year which has materially affected the Corporation and or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

On August 6, 2025, the Corporation closed a private placement of units of the Corporation whereby Spirit acquired 133,333,333 units at a price of \$0.03 per unit, or \$4,000,000 in the aggregate (the “**Private Placement**”). In connection with the Private Placement, the Corporation and Spirit entered into the Investor Rights Agreement. For further details regarding this transaction, please see the Corporation’s management information circular for the special meeting of shareholders held on July 29, 2025, a copy of which is available SEDAR+ at www.sedarplus.ca.

CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance for the effective management of the Corporation and to its Shareholders. The Corporation's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed to enhance Shareholder value.

The Board and management endorse the need to establish forward-looking governance policies and to continuously evaluate and modify them to ensure their effectiveness.

In accordance with National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") of the Canadian Securities Administrators, the Corporation annually discloses information related to its system of corporate governance. Schedule "A" – *Statement of Corporate Governance Practices* to this Information Circular details the Corporation's governance practices.

Canada Business Corporations Act Requirements on Diversity

Effective January 1, 2020, the CBCA was amended to require additional disclosures about diversity. Although the Compensation and Corporate Governance Committee and the Board have not adopted a target number or set percentage objectives for each of the "designated groups" (as such term is defined in the CBCA which, in turn, is defined in the *Employment Equity Act of Canada*), the Board, its relevant committees and senior management, actively consider and review whether candidates representing diversity criteria have been considered and/or appointed to senior management positions and to the Board. The Board does not consider it necessary to have a specific policy at this time.

In addition to the designated groups stipulated by the CBCA, the Board views diversity in the broadest sense and considers the following as examples of additional diversity dimensions that are equally important and necessary across its organization: diversity of thought, perspectives and life experience which can include education, socioeconomic status, language, sexual orientation, values and beliefs, among others. When the Compensation and Corporate Governance Committee considers the composition of the Board, the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities are some of the considerations the Board.

For these reasons, and in light of all that is currently considered and actively discussed about diversity, the Board does not believe it necessary to set specific targets and objectives for women, visible minorities, persons with disabilities or aboriginal persons (as such terms are defined in the *Employment Equity Act*) on its board or executive positions at this time.

As it relates to the designated groups specified by the CBCA (the below information is provided as of the date of this Information Circular):

- (i) One of five directors (16.7%), and none of our four NEOs, is a woman;
- (ii) None of our five directors, and none of our four NEOs self-identifies as a member of a visible minority;
- (iii) None of our five directors, and none of our four NEOs, self-identifies as a person with a disability; and
- (iv) None of our five directors, and none of our four NEOs, self-identifies as an Aboriginal person.

Additional disclosure is provided in Schedule "A" – *Statement of Corporate Governance Practices*.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on the SEDAR+ website at www.sedarplus.ca. Financial information concerning the Corporation is provided in the Corporation's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year ended December 31, 2025. Shareholders may contact the Corporation (tel: 306-664-2202 or stardiamondcorp@stardiamondcorp.com) to request copies of the financial statements and Management's Discussion and Analysis.

For information pertaining to the Audit Committee as prescribed by Form 52-110F1 *Audit Committee Information Required in an AIF*, please refer to the information disclosed under "Audit Committee" in the Corporation's annual information form dated March 30, 2026, which can be viewed on the SEDAR+ website at www.sedarplus.ca.

ADVISORY

Basis of Presentation

All financial figures and information have been prepared in Canadian dollars (which includes references to “dollars” and “\$”), except where another currency has been indicated, and in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Caution Concerning Forward-Looking Statements

This Information Circular includes certain statements that constitute “forward-looking statements”, and “forward-looking information”, within the meaning of applicable securities laws (“forward-looking statements” and “forward-looking information” are collectively referred to as “**forward-looking statements**”, unless otherwise stated). These statements appear in a number of places in this Information Circular and include statements regarding the Corporation’s intent, or the beliefs or current expectations of the Corporation’s officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Corporation’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Information Circular, words such as “expect”, “future” “intend”, “intention”, “may”, “should”, “will”, “would” and similar expressions are intended to identify these forward-looking statements. Forward-looking statements include, without limitation, statements regarding the Meeting, including the timing and procedural matters in respect thereof; the solicitation and revocation of proxies; the election of directors; the application of majority voting for directors; compensation policies, objectives and beliefs; the development of operational and strategic objectives for NEOs; the provision of short-term and long-term incentives through equity compensation plans; the Automatic DSU Retainer; alterations or amendments of equity compensation plans, including the termination of the Option Plan and the Unit Plan and the timing thereof; the Corporation’s strategic goals; dividends; and corporate governance matters and policies, including with respect to equity, diversity and representation.

All forward-looking statements are based on the Corporation’s current beliefs as well as assumptions made by, and information currently available to, the Corporation concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. These forward-looking statements were derived utilizing numerous assumptions including: that the Corporation will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; and certain cost assumptions; and therefore, the Corporation’s actual results may differ materially from those in the forward-looking statements. While the Corporation considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, readers are cautioned not to put undue reliance on these forward-looking statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to, general economic, market and business conditions; increased costs and expenses; and certain other risks detailed from time to time in the Corporation’s public disclosure documents including, without limitation, those risks described in the Corporation’s annual information form, copies of which are available on the Corporation’s SEDAR+ profile at www.sedarplus.com. Forward-looking statements should not be read as a guarantee of future performance or results. Forward-looking statements are based on information available at the time those statements are made and/or management’s good faith belief as of that time with respect to future events, and are subject to known and unknown risks and uncertainties, both general and specific, that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements.

Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, the Corporation assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If the Corporation updates any one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in this Information Circular are expressly qualified in their entirety by this cautionary statement.

DIRECTORS' APPROVAL

The contents of this Information Circular have been approved by the Board of the Corporation and the Board has authorized the Corporation to send it to you via notice-and-access.

Saskatoon, Saskatchewan
March 30, 2026

"Wayne Malouf"
Wayne Malouf
Director and Chair of the Board

STAR DIAMOND CORPORATION

SCHEDULE "A"

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The table below describes the Corporation's corporate governance practices as required under NI 58-101.

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
1. Board of Directors	
a. Disclose the identity of directors who are independent.	The Board has determined that at March 30, 2026, all of the Corporation's five directors are "independent" within the meaning of National Policy 58-201 – <i>Corporate Governance Guidelines</i> . The five independent directors at March 30, 2026 are Wayne Malouf, Al Gourley, Leslie Markow, Krisztian Toth and Brendan Moore.
b. Disclose the identity of directors who are not independent and describe the basis of that determination.	-
c. Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.	As at March 30, 2026, all of the Corporation's directors are independent.
d. If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Leslie Markow is a director of Jemtec. Inc. Krisztian Toth is a director of Pasofino Gold Limited. and Leviathan Metals Corp.
e. Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.	At each of its meetings the Board and its Committees are given the opportunity to meet independently of Management and non-independent directors at the request of any independent director.
f. Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor lead director that is independent, describe what the Board does to	Wayne Malouf, the Chair of the Board, is independent.

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
provide leadership for its independent directors.	
g. Disclose the attendance record of each director for all Board meetings held since the beginning of the Issuer's most recently completed financial year.	The attendance record for each director is fully disclosed in the "Election of Directors" section of this Information Circular.
2. Board Mandate Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.	The Board's Mandate is attached to this Information Circular as Schedule "B".
3. Position descriptions a. Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.	A position description for the Chair of the Board has been developed and approved by the Board. The other committees have specific mandates documented and the Chair of each committee is responsible to fulfill the documented mandate.
b. Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.	A written position description for the CEO has been developed by the Board and CEO.
4. Orientation and Continuing Education a. Briefly describe what measures the Board takes to orient new directors regarding: <ul style="list-style-type: none"> (i) the role of the Board, its committees and its directors; and (ii) the nature and operation of the issuer's business. 	New directors meet with the Board and senior management to discuss the business activities of the Corporation and are given the opportunity to familiarize themselves with the Corporation and gain insight into the Corporation's business and operations by visiting the Corporation's offices and mineral properties. Each director is provided with a copy of the Directors' Manual which contains information about the Corporation, as well as charters of the Board and its Committees, and other relevant corporate and business information.
b. Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	Continuing education opportunities are directed at enabling individual directors to maintain or enhance their skills and abilities as directors, as well as ensuring that their knowledge and understanding of the Corporation's industry and affairs remain current. The Board has the authority to obtain third-party consultation to further its knowledge about industry issues and other matters as it sees fit. All of the Board members currently are or have been directors or officers of

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
	other resource companies. As such, they are able to stay current regarding the resource industry.
<p>5. Ethical Business Conduct</p> <p>a. Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:</p> <ul style="list-style-type: none"> (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code. 	<p>The Board has adopted a Code of Ethics policy for directors, officers and employees. The complete text can be found on SEDAR+ at www.sedarplus.ca.</p> <p>Before a director, officer or employee is appointed or hired, the individual is required to read the Code of Ethics and report in writing any breaches of the policy. Annually, the officers, senior employees and directors of the Corporation update their compliance with the policy. Any conflicts of interest arising will be brought to the attention of the Corporation's Corporate Secretary or directly to the Chair of the Compensation and Corporate Governance Committee.</p> <p>No material change reports have been filed since the beginning of the Corporation's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Corporation's Code of Ethics policy.</p>
<p>b. Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>Each director must disclose all actual or potential conflicts of interests and refrain from voting on matters in which the director has a conflict. In addition, the director must excuse himself from any discussion or decision on any matter in which the director is precluded from voting as a result of a conflict of interest.</p>
<p>c. Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board has approved a Reporting Concerns over Accounting and Auditing Matters policy. As per the policy, employees who observe unethical behavior are encouraged to report such incidents without recourse.</p>
<p>6. Nomination of Directors</p> <p>a. Describe the process by which the Board identifies new candidates for Board nomination.</p>	<p>The independent directors of the Board are responsible for proposing new nominees to the Board. The independent directors will determine what competencies and skills are considered necessary to discharge the Board's duties and will identify potential candidates based on the skills required to fulfill the Board's needs. Other factors considered are an individual's experience, expertise and reputation as well as Board diversity.</p>
<p>b. Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.</p>	<p>The Compensation and Corporation Governance Committee recommend nominees for appointment or election to the Board. As of the date of this Information Circular, each of the three directors who comprise of the Compensation and Corporate Governance Committee are independent.</p>

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
<p>c. If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The independent directors of the Corporation have assumed responsibility for nominating new candidates. Based on the recommendations of the Compensation and Corporate Governance Committee, the independent directors will review on a periodic basis the composition of the Board, ensure that an appropriate number of independent directors sit on the Board, analyze the needs of the Board, and recommend nominees for appointment or election to the Board.</p>
<p>7. Compensation</p> <p>a. Describe the process by which the Board determines the compensation for the issuer's directors and officers.</p>	<p>The Board determines the compensation for directors and officers through the Compensation and Corporate Governance. The Compensation and Corporate Governance Committee considers responsibilities involved with being an effective director or officer, risks, and the time commitment involved. The performance of the directors and officers is also compared to that of stated objectives. The Corporation also benchmarks total direct compensation to peer group companies. Information regarding the details of compensation earned by the Corporation's directors is included in this Information Circular under "<i>Compensation of Directors for the Year Ended December 31, 2025</i>". Information regarding compensation earned by the NEOs is included in this Information Circular under "<i>Executive Compensation</i>".</p>
<p>b. Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.</p>	<p>As of the date of this Information Circular, each of the three directors who comprise the Compensation and Corporate Governance Committee are independent.</p>
<p>c. If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Compensation and Corporate Governance Committee is responsible for reviewing and approving all compensation paid by the Corporation to its directors and senior officers. During the course of such review, the Compensation and Corporate Governance Committee evaluates the performance and objectives of senior officers of the Corporation.</p>
<p>8. Other Board Committees</p> <p>If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their functions.</p>	<p>The Corporation does not have any standing committees other than the Audit Committee and the Compensation and Corporate Governance Committee.</p>

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
<p>9. Assessments</p> <p>Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.</p>	<p>The Compensation and Corporate Governance Committee completes annual assessments for the Board, its committees and the Chair of the Board, including for the 2025 fiscal year.</p>
<p>10. Director Term Limits and Other Mechanisms of Board Renewal</p> <p>Disclose whether or not the issuer has adopted term limits for the directors on its Board or other mechanisms of Board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the issuer has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.</p>	<p>The Corporation has not adopted term limits or mandatory retirement policies for the Board. The Board does not believe that arbitrary term limits are appropriate, nor does it believe that Directors should expect to be re-nominated annually. On an ongoing basis a balance must be struck between ensuring that there are fresh ideas and viewpoints available to the Board while not losing the insight, experience and other benefits of continuity contributed by longer-serving Directors.</p> <p>With respect to other mechanisms of board renewal, see section 9 above titled “Assessments”.</p>
<p>11. Policies Regarding the Representation of Women on the Board</p> <p>a. Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.</p>	<p>The Corporation has not adopted a policy specifically relating to the identification and nomination of women, Indigenous peoples, persons with disabilities or members of visible minorities as directors. The Board does not consider it necessary to have such a policy at this time but may consider adopting a policy in the future. Furthermore, the Corporation has not set any objectives for the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities because, as a matter of practice, diversity (including the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities) is among the factors that the Compensation and Corporate Governance Committee considers when evaluating the composition of the Board (see section 12 below).</p> <p>Should a diversity policy be considered appropriate for the Corporation in the future due to increases in size of the organization, the policy would specifically deal with the objectives for the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities.</p>

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
<p>b. If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:</p> <ul style="list-style-type: none"> (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy. 	<p>Not applicable.</p>
<p>12. Consideration of the Representation of Women in the Director Identification and Selection Process</p> <p>Disclose whether and, if so, how the Board or nominating committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer’s reasons for not doing so.</p>	<p>The Compensation and Corporate Governance Committee does not specifically define diversity, but takes guidance from the Corporation’s “Respect in the Workforce Policy” which is applicable to all employees, officers, contractors, consultants or agents of the Corporation and its subsidiaries, and values diversity of race, ancestry, colour, ethnicity, creed, religion, gender, sexual orientation, age, marital or partnership status, family status and physical ability as part of its overall evaluation of director nominees for election or re-election. The Compensation and Corporate Governance Committee believes that having a diverse Board, including the representation of women, Indigenous peoples, persons with disabilities or members of visible minorities, enhances Board operations, and diversity is among the factors that the Compensation and Corporate Governance Committee considers when evaluating the composition of the Board.</p>
<p>13. Consideration Given to the Representation of Women in Executive Officer Appointments</p> <p>Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer’s reasons for not doing so.</p>	<p>The Corporation may, amongst other things, consider the level of representation of women, Indigenous peoples, persons with disabilities or members of visible minorities in executive officer positions when making executive officer appointments. The Corporation believes that having diversity in its executive officers, including women, Indigenous peoples, persons with disabilities or members of visible minorities, enhances management operations, and diversity is among the factors that the Corporation considers when evaluating the composition of its executive officers.</p> <p>The Corporation has a Respect in the Workforce Policy applicable to employees. The Corporation will provide an atmosphere free from barriers in order to promote equity and diversity and will foster an environment that respects people’s dignity, ideas and beliefs thereby promoting equity and diversity in employment. The Corporation will provide a supportive work environment and a corporate culture that welcomes and encourages equal opportunities for all employees. Fair and equitable treatment will apply to all aspects of employment and business relationships.</p>

Corporate Governance Disclosure Required Under Form 58-101F1 <i>Corporate Governance Disclosure</i>	Governance Practices of the Corporation
<p>14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</p> <p>b. Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation has not adopted targets regarding women, Indigenous peoples, persons with disabilities or members of visible minorities on the Board. The Corporation does not feel that targets necessarily result in the selection of the best candidates. The Corporation considers diversity as described in sections 12 and 13 above.</p>
<p>c. Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation has not adopted targets regarding women, Indigenous peoples, persons with disabilities or members of visible minorities in executive positions. The Corporation does not feel that targets necessarily result in the selection of the best candidates. The Corporation considers diversity as described in sections 12 and 13 above.</p>
<p>d. If the issuer has adopted a target referred to in either (b) or (c), disclose:</p> <p>(i) the target, and</p> <p>(ii) the annual and cumulative progress of the issuer in achieving the target.</p>	<p>Not applicable.</p>
<p>15. Number of Women on the Board and in Executive Officer Positions</p> <p>a. Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.</p>	<p>At March 30, 2026, one of the Corporation's five directors is a woman (20%).</p>
<p>b. Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>None of the Corporation's two executive officers are women, Indigenous peoples, persons with disabilities or members of visible minorities (0%).</p>

STAR DIAMOND CORPORATION
SCHEDULE "B"
BOARD OF DIRECTORS - MANDATE

1. General Powers of the Board of Directors

The Board of Directors has a duty to manage the business and affairs of the Company. Directors must comply with the *Canada Business Corporations Act* and the regulations thereunder and the articles and by-laws of the Company. The powers of the Board of Directors may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all directors entitled to vote on such resolution.

The principal responsibility of the Board of Directors is to promote the best interests of the Company and its shareholders. This responsibility includes: (i) approving fundamental operating, financial and other corporate plans, strategies and objectives; (ii) evaluating the performance of the Company and its senior management; (iii) selecting, regularly evaluating and fixing the compensation of executive officers; (iv) adopting policies of corporate governance and conduct, including compliance with applicable laws and regulations, financial and other controls; (v) reviewing the process of providing appropriate financial and operational information to the shareholders and the public generally; and (vi) evaluating the overall effectiveness of the Board of Directors.

2. General Fiduciary Duties

The Board of Directors must act with a view to the best interests of the Company and its shareholders generally. Every director of the Company in exercising their powers and discharging their duties must:

- (a) act honestly and in good faith with a view to the best interests of the Company; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Fiduciary duties include, by way of example, the obligation to refrain from voting on contracts where personal financial or other interests conflict with those of the Company, using insider information in securities transactions and appropriating a corporate opportunity for personal benefit. Directors must act with such care as would reasonably be expected of a person having the knowledge and experience of the director in question.

Directors should have sufficient information to enable them to make knowledgeable decisions on all matters coming before the Board of Directors. It is the responsibility of each director to ask such questions as may be necessary to satisfy that the director has been supplied with all the necessary information on which to base the director's decisions. Directors should be familiar with all aspects of the business and affairs of the Company and have a basic understanding of the principal operational and financial objectives, strategies and plans of the Company, the results of operations and the financial condition of the Company.

Directors are entitled to rely in good faith on: (i) financial statements of the Company that are represented to them by an officer of the Company or in a written report of the auditors of the Company as fairly reflecting the financial condition of the Company; or (ii) an opinion or report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by that person.

In order to fulfill the director's fiduciary duties to the Company and its shareholders, each director should: (i) prepare for (i.e. make all necessary investigations and reviews) and attend all meetings of the Board of Directors; (ii) be sufficiently informed about the current and proposed activities of the Company; (iii) review the minutes of any meeting not attended as well as any resolutions passed or actions taken; (iv) obtain advice from outside or independent advisors and consultants when necessary; (v) ensure that all Board meeting agendas include a review of the minutes of the previous meeting of the Board of Directors to ensure they accurately represent the discussions that took place and the resolutions that were passed; and (vi) be especially attentive to specific aspects of the Company's activities according to the director's own experience and occupation.

3. Conflicts of Interest

A director who is a party to a material contract or proposed material contract with the Company, or who is a director or officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the Company, must disclose in writing to the Company, or request to have entered in the minutes of meetings of directors, the nature and extent of the director's interest.

The disclosure required to be made by a director where there is a conflict of interest must be made at the meeting at which a proposed contract is first considered by the Board of Directors or, if the director had no interest in a proposed contract at the time of such meeting, at the first meeting of the Board of Directors after he acquires an interest. If the director acquires an interest after a contract is made, the director must disclose this interest at the first meeting of the Board of Directors after the director becomes so interested. If a person who has an interest in a contract later becomes a director of the Company, the director must disclose this interest at the first meeting of the Board of Directors.

Where a proposed contract is dealt with by a written resolution signed by all directors in lieu of a meeting of the Board of Directors, the disclosure must be made immediately upon receipt of the resolution or, if the director had no interest at the time of receipt of the resolution, at the first meeting of the Board of Directors after the director acquires the interest.

A director who discloses a conflict of interest must refrain from taking part in any discussions or voting on any resolution to approve the contract, unless the contract is:

- (a) an arrangement by way of security for money loaned to or obligations undertaken by the director, or by a body corporate in which the director has an interest, for the benefit of the Company or an affiliate;
- (b) a contract relating primarily to the director's remuneration as a director, officer, employee or agent of the Company or an affiliate;
- (c) a contract for indemnity or insurance with respect to a director or officer of the Company, a former director or officer of the Company or a person who acts or acted at the Company's request as a director or officer of a body corporate of which the Company is or was a shareholder or creditor; or
- (d) a contract with an affiliate of the Company, provided however, that directors who serve on boards of affiliated corporations are not required to refrain from voting on contracts between the two corporations.

Any profits or gains realized by a director as a result of the director's privileged position on the Board of Directors must be reimbursed to the Company, except in the case of gains resulting from contracts with respect to which the director has complied with the obligation to disclose this interest and refrain from voting.

4. Stewardship of the Corporation

The Board of Directors is responsible for the stewardship of the Company and, as part of the overall stewardship responsibility, should assume responsibility for the following matters:

- (a) the adoption of a strategic planning process;
- (b) the identification of the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks;
- (c) succession planning, including appointing, training and monitoring senior management;
- (d) the implementation of a communications policy for the Company; and
- (e) monitoring the integrity of the Company's internal control and management information systems.

5. Corporate Opportunity

A director is precluded from obtaining or diverting to another person or corporation with whom or with which the director is associated, either secretly or without the approval of the Company, any property or business advantage either belonging to the Company or for which it has been negotiating.

A director is also precluded from so acting even after the director's resignation where the resignation may fairly be said to have been prompted or influenced by a wish to acquire the opportunity sought by the Company, or where it was the director's position with the Company that led to the opportunity.

A director may not use his or her position as a director to make a profit even if it was not open to the Company to participate in the transaction.

6. Duty of Independence

A director must act strictly in the best interests of the Company and its shareholders generally and not in the interest of any one shareholder or group of shareholders. In determining whether a particular transaction or course of action is in the best interests of the Company, a director, if elected or appointed by holders of a class or series of shares, may give special, but not exclusive, consideration to the interests of those who elected or appointed the director.

7. Duty of Confidentiality

Directors of the Company have an obligation to maintain the confidentiality of matters discussed at meetings of the Board of Directors unless:

- (a) it was clearly understood at the Board meeting that the information was not required to be kept in confidence;
- (b) the director was required or authorized by law to disclose the information; or
- (c) the director was authorized expressly or implicitly by the Board of Directors to make disclosure of the information.

8. Duty Not to Misuse Information or Position

A director must not misuse his or her position or make improper use of information acquired by virtue of the director's position to gain, directly or indirectly, an advantage for themselves or any other person or to cause detriment to the Company. Directors are insiders of the Company and, as such, must not use information about the Company to trade in securities or to assist others to trade in securities of the Company before the information is available to the public.

9. Insider reporting

Directors are required to report any changes in their direct or indirect beneficial ownership of or control or direction over securities of the Company within 5 days of the change. The Company has established a procedure for assisting insiders with the reporting of insider trades.

10. Communication to Shareholders

The Board of Directors must ensure that the Company has in place a policy to enable the Company to communicate effectively with its shareholders and the public generally. Directors have a duty to ensure that the appropriate procedures are in place and being complied with so that accurate, appropriate and timely disclosure is being made to the Company's shareholders and to the public.

11. Delegation of Authority to Officers and Committees

The Board of Directors may delegate authority and functions to officers and to committees of directors. The Board of Directors has the right to appoint officers to perform such duties assigned to them by the Board of Directors. The persons holding such offices shall also have the powers assigned to them from time to time by the Chief Executive Officer of the Company.

Any member of a Committee may be removed or replaced at any time by the Board of Directors and shall cease to be a member of the Committee as soon as such member ceases to be a Director. The Board of Directors may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.

The following matters are within the sole purview of the Board of Directors and may not be delegated by the Board to a committee of directors or to an officer of the Company:

- (a) the submission to the shareholders of any question or matter requiring the approval of the shareholders;
- (b) the filling of a vacancy among the directors or in the office of the auditor;
- (c) the issuance of securities, except in the manner and on the terms authorized by the directors;
- (d) the declaration of dividends;
- (e) the purchase, redemption or other acquisition of shares of the Company, except in the manner and on the terms authorized by the directors;
- (f) the payment of a commission to any person in consideration of: (i) purchasing or agreeing to purchase shares of the Company or from any other person; or (ii) procuring or agreeing to procure purchasers for shares of the Company;
- (g) the approval of a management proxy circular;
- (h) the approval of annual financial statements; or
- (i) the adoption, amendment or repealing of any by-laws of the Company.

12. Financial Statements

The Board of Directors has a duty to approve the annual financial statements of the Company and to submit the financial statements of the Company, and the auditors' report thereon, for the preceding year to the shareholders of the Company.

A director is required to forthwith notify both the Audit Committee and the Company's auditors of any error or misstatement of which the director becomes aware in the audited financial statements of the Company. The Board of Directors has a duty to prepare and issue corrected financial statements on being informed of an error or misstatement by an auditor or former auditor and the duty to file these statements with or inform the appropriate securities commissions.

13. Auditors

On demand from the Company's auditors, each present and former director of the Company has a duty to furnish to the Company's auditors any information and explanations and allow access to any books, records, documents, accounts or vouchers of the Company or its subsidiaries that the director is reasonably able to furnish and which the Company's auditors consider necessary to enable them to report on the annual financial statements.

14. Shareholder Meetings

The Board of Directors is required to call the annual meeting of the shareholders and may, at any time, call a special meeting of shareholders. The Board of Directors has a duty to call a special meeting of the shareholders to approve any matter that requires the approval of shareholders by special resolution.

15. Safety, Health and Environment (SHE)

The Board of Directors will assume responsibility for developing the approach of the Corporation relating to matters of safety, health and environment. Specifically, the Board of Directors will be responsible for:

- a. establishing and periodically reviewing safety, health and environmental policies to ensure compliance with "SHE" legislation;
- b. overseeing the management of the implementation of systems necessary for compliance with all safety, health and environmental policies;
- c. monitoring the effectiveness of the policies, systems and monitoring processes in place to manage the safety and health of employees, contractors, visitors and the general public and to manage environmental impacts;
- d. reviewing regular updates from management on the safety, health and environmental performance of the corporation by receiving reports from management on:
 - (i) significant safety, health and environmental issues,
 - (ii) compliance with safety, health and environmental legislation and licenses;
 - (iii) monitoring significant event trends; and
 - (iv) benchmarking of the policies, systems and monitoring processes of the corporation against industry best practices;
- e. reviewing audit results and findings on safety, health and environmental audits, the action plans pursuant to the findings and the result of investigations into significant events, if any; and
- f. conducting any actions to supervise management respecting all other matters relating to safety, health and environmental consistent with the policies, including, but not limited to engaging third party consultants, if necessary.

SCHEDULE "C"
REPORTING PACKAGE

(See attached)



NOTICE OF CHANGE OF AUDITOR

TO:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
Ontario Securities Commission
New Brunswick Securities Commission
Nova Scotia Securities Commission
Prince Edward Island Securities Commission
Newfoundland and Labrador Securities Commission
Québec Autorité des marchés financiers

AND TO:

KPMG LLP, Chartered Professional Accountants
MNP LLP

RE: Change of Auditor Notice Pursuant to Section 4.11 of National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”)

1. Notice is hereby given of a change of auditor of Star Diamond Corporation (the “**Company**”).
2. Effective August 7, 2025, KPMG LLP (the “**Former Auditor**”) was terminated as the Company’s auditor and MNP LLP (the “**Successor Auditor**”) was appointed as the Company’s auditor.
3. The Former Auditor was terminated upon the recommendation of the Audit Committee.
4. The termination of the Former Auditor and appointment of the Successor Auditor has been approved by the Board of Directors of the Company.
5. The Former Auditor’s report on any of the Company’s financial statements relating to the “relevant period” (as that term is defined in Section 4.11 of NI 51-102) did not express a modified opinion.
6. There are no “reportable events” (as that term is defined in Section 4.11 of NI 51-102).
7. This notice, and the accompanying letters from the Former Auditor and the Successor Auditor, have been reviewed and approved by the board of directors of the Company.

Dated this 8th day of August, 2025.

STAR DIAMOND CORPORATION

“Carmelo Marrelli”
Carmelo Marrelli

Chief Financial Officer



KPMG LLP
500, 475 – 2nd Avenue South
Saskatoon, SK S7K 1P4
Canada
Tel 306-934-6200
Fax 306-934-6233
www.kpmg.ca

To:
British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
Manitoba Securities Commission
Ontario Securities Commission
New Brunswick Securities Commission
Nova Scotia Securities Commission
Prince Edward Island Securities Commission
Newfoundland and Labrador Securities Commission
Québec Autorité des marchés financiers

Augst 11, 2025

Dear Sir/Madam

Re: Notice of Change of Auditors of Star Diamond Corporation

We have read the Notice of Star Diamond Corporation dated August 8, 2025 and are in agreement with the statements contained in such Notice except that we are not in a position to agree or disagree with Star Diamond Corporation's statements 3, 4, and 7.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

August 13, 2025

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Financial and Consumer Services Commission, New Brunswick
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Office of the Superintendent of Securities Service, Newfoundland and Labrador
Autorité des marchés financiers

Dear Sirs/ Madams:

**Re: Star Diamond Corporation (the "Company")
Notice of Change of Auditor Pursuant to National Instrument NI 51-102**

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, we have reviewed the information contained in the Notice of Change of Auditor of the Company dated August 8, 2025, ("the **Notice**") and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm. We advise that we have no basis to agree or disagree with the comments in the Notice relating to KPMG LLP.

Yours truly,



Chartered Professional Accountants
Licensed Public Accountants

SCHEDULE "D"
2026 OPTION PLAN

STAR DIAMOND CORPORATION

STOCK OPTION PLAN

Effective as of May 14, 2026

1. Purposes of the Plan

- 1.1 The purposes of this Plan are to (a) assist the Corporation in attracting, retaining and motivating directors, senior officers, employees and consultants of the Corporation and of its related entities; and (b) closely align the personal interests of such directors, officers, employees and consultants with those of the shareholders by providing them with the opportunity, through options, to acquire common shares in the capital of the Corporation.

2. Definitions

- 2.1 For the purposes of the Plan, the following terms have the respective meanings set forth below:

- (a) “**Black-Out Period**” means that period during which a trading black-out period is imposed by the Corporation to restrict trades in the Corporation’s securities by an Eligible Person;
- (b) “**Board**” means the board of directors of the Corporation;
- (c) “**Business Combination**” has the meaning ascribed to the term in Subsection 10.7 hereof;
- (d) “**Cause**” means any act, which at common law in the applicable jurisdiction, would be considered cause for dismissal without the obligation to provide notice or pay in lieu of notice;
- (e) “**Change of Control**” means:
 - (i) an acquisition of 50% or more of the voting rights attached to all outstanding voting shares of the Corporation by a person or combination of persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, or by virtue of a related series of such events, and whether by transfer of existing shares or by issuance of shares from treasury or both; or
 - (ii) the amalgamation, consolidation or combination of the Corporation with, or merger of the Corporation into, any other person, whether by way of amalgamation, arrangement or otherwise, unless (1) the Corporation is the surviving person or the person formed by such amalgamation, consolidation or combination, or into which the Corporation has merged, is a corporation and (2) immediately after giving effect to such transaction at least 50% of the voting rights attached to all outstanding voting shares of the Corporation

or the corporation resulting from such amalgamation, consolidation or combination, or into which the Corporation is merged, as the case may be are owned by persons who held the voting rights attached to all outstanding voting shares of the Corporation immediately before giving effect to such transaction; or

- (iii) the direct or indirect transfer, conveyance, sale, lease or other disposition, by virtue of a single event or a related series of such events, of 90% or more of the assets of the Corporation based on gross fair market value to any person unless (1) such disposition is to a corporation and (2) immediately after giving effect to such disposition, at least 50% of the voting rights attached to all outstanding voting shares of such corporation are owned by the Corporation or its related entities or by persons who held the voting rights attached to all outstanding voting shares of the Corporation immediately before giving effect to such disposition; or
- (iv) at least 50% of the directors constituting the Board cease to be directors as a result of, in connection with, or pursuant to a contract relating to (a) a Change of Control as defined in paragraphs (i), (ii) or (iii), or (b) an actual or threatened contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies by or on behalf of a person or persons (other than a solicitation that was approved by directors constituting a majority of the Board);
- (f) **“Compensation Committee”** means the compensation and corporate governance committee of the Board and if there is none, means the full Board;
- (g) **“Consultant”** has the same meaning ascribed to that term under Section 2.22 of NI 45-106 and shall only include those persons who may participate in an “Employee Benefit Plan” as set forth in Rule 405 of the U.S. Securities Act;
- (h) **“Corporation”** means Star Diamond Corporation;
- (i) **“Director”** means a non-employee director of the Corporation;
- (j) **“Eligible Person”** means, from time to time, any director, Employee, including any Executive Officer, a Consultant of the Corporation or of a related entity of the Corporation;
- (k) **“Employee”** means a full-time or part-time employee of the Corporation or of a related entity of the Corporation;
- (l) **“Exchange”** means, if the Shares are listed on the TSX, the TSX and, if the Shares are not listed on the TSX, any other principal exchange upon which the Shares are listed;
- (m) **“Executive Officer”** means an executive officer of the Corporation appointed as such by a resolution of the Board;

- (n) “**Grant Date**” has the meaning ascribed to that term in Subsection 5.1 hereof;
- (o) “**Holding Corporation**” has the meaning ascribed to that term in Subsection 6.6 hereof;
- (p) “**Insider**” means a reporting insider as defined under National Instrument 55-104 – *Insider Reporting Requirements and Exemptions*;
- (q) “**Market Value**” of a Share means, on any given day, the closing trading price per share of the Shares on the Exchange on the Trading Day immediately preceding the relevant date;
- (r) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*;
- (s) “**Option**” means an option, granted pursuant to Section 5 hereof, to purchase a Share;
- (t) “**Option Agreement**” has the meaning ascribed to that term in Subsection 7.1 hereof;
- (u) “**Option Period**” has the meaning ascribed to that term in Subsection 6.3 hereof;
- (v) “**Option Price**” means the price per Share at which Shares may be purchased under the Option, as determined pursuant to Subsection 5.1(b) hereof and as may be adjusted in accordance with Section 10 hereof;
- (w) “**Optionee**” means an Eligible Person to whom an Option has been granted;
- (x) “**Plan**” means the Stock Option Plan of the Corporation as set forth herein as the same may be amended and/or restated from time to time;
- (y) “**related entity**” has the meaning ascribed to that term in Section 2.22 of NI 45-106;
- (z) “**RRSP**” has the meaning ascribed to that term in Subsection 6.6 hereof;
- (aa) “**Securities Regulators**” has the meaning ascribed to that term in Section 11 hereof;
- (bb) “**security based compensation arrangement**” means
 - (i) stock option plans of the Corporation for the benefit of employees, insiders, service providers or any one of such groups;
 - (ii) individual stock options granted to employees, service providers or insiders if not granted pursuant to a plan previously approved by the Corporation’s shareholders;

- (iii) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased;
- (iv) stock appreciation rights involving issuances of securities from treasury of the Corporation;
- (v) any other compensation or incentive mechanism involving the issuance or potential issuances of securities from treasury of the Corporation; and
- (vi) security purchases from treasury by an employee, insider or service provider which is financially assisted by the Corporation by any means whatsoever,

and for greater certainty, arrangements which do not involve the issuance from treasury or potential issuance from treasury of the Corporation are not security based compensation arrangements;

- (cc) “**Share**” means, subject to Section hereof, a common share without nominal or par value in the capital of the Corporation;
- (dd) “**Shareholder**” means a registered holder of Shares of the Corporation;
- (ee) “**Take-Over Bid**” has the meaning ascribed to the term in Subsection 10.6 hereof;
- (ff) “**Trading Day**” means any day on which the Exchange is open for trading of Shares provided that if the Shares are no longer listed on any stock exchange, means any day which is a business day in Alberta;
- (gg) “**TSX**” means the Toronto Stock Exchange; and
- (hh) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

2.2 Unless otherwise indicated, all dollar amounts referred to in this Plan are in Canadian funds.

2.3 As used in this Plan,

- (a) unless the context otherwise requires, words importing the masculine gender shall include the feminine and neuter genders, words importing the singular shall include the plural and vice versa;
- (b) unless the context otherwise requires, the expressions “**herein**”, “**hereto**”, “**hereof**”, “**hereunder**” or other similar terms refer to the Plan as a whole, together with the appendices and schedules, and references to a Section, Subsection, paragraph, Appendix or Schedule by number or letter or both refer to the Section, Subsection, paragraph, Appendix or Schedule, respectively, bearing that designation in the Plan; and

- (c) the term “**include**” (or words of similar import) is not limiting whether or not non-limiting language (such as “**without limitation**” or words of similar import) is used with reference thereto.

3. Administration of the Plan

- 3.1 The Plan shall be administered by the Compensation Committee.
- 3.2 The Compensation Committee shall, periodically, after consulting with the Executive Officers, make grants to such directors, Employees and Consultants who are not Executive Officers as it determines and report to the Board as to such grants of Options.
- 3.3 The Chief Executive Officer of the Corporation shall periodically make recommendations to the Compensation Committee as to the grant of Options to Executive Officers. The Compensation Committee shall, periodically, after considering the Chief Executive Officer’s recommendations, make recommendations to the Board as to the grant of options to Executive Officers. For greater certainty, the Compensation Committee shall not have the power to make grants of options to Executive Officers unless explicitly delegated the power to do so by the full Board.
- 3.4 In addition to the powers granted to the Board under the Plan and subject to the terms of the Plan, the Board shall have full and complete authority to grant Options, to interpret the Plan, to prescribe such rules and regulations as it deems necessary for the proper administration of the Plan and to make such determinations and to take such actions in connection therewith as it deems necessary or advisable. Any such interpretation, rule, determination or other act of the Board shall be conclusively binding upon all persons.
- 3.5 The Board may delegate any or all of its authority, rights, powers and discretion with respect to the Plan to the Compensation Committee. Upon any such delegation the Compensation Committee as well as the Board, shall be entitled to exercise any or all such authority, rights, power and discretion with respect to the Plan and, when used in the context of this Plan, “Board” shall be deemed to include the Compensation Committee.
- 3.6 The Board may authorize one or more officers of the Corporation to execute and deliver and to receive documents on behalf of the Corporation.

4. Shares Subject to the Plan

- 4.1 Subject to adjustment as provided in Section 10, the aggregate number of Shares that may be reserved for issuance pursuant to Options shall not exceed, on a rolling basis, 10% of the outstanding Shares at the time of the granting of an Option, LESS the aggregate number of Shares then reserved for issuance pursuant to any other security based compensation arrangements. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.

- 4.2 In no event shall Options be granted entitling any one Optionee to purchase in excess of 5% of the issued and outstanding Shares on a non-diluted basis on the Grant Date of the Options.
- 4.3 Notwithstanding anything in this Plan to the contrary:
- (a) the maximum number of Shares issuable pursuant to Options granted under the Plan to Insiders, together with the number of Shares issuable to Insiders pursuant to Options granted under any other security based compensation arrangements, shall not exceed 10% of the Shares issued and outstanding on a non-diluted basis at the Grant Date of the Options; and
 - (b) within any one-year period, the maximum number of Shares issued pursuant to Options granted under the Plan to Insiders, together with the number of Shares issued to Insiders pursuant to Options granted under any other security based compensation arrangements, shall not exceed 10% of the Shares issued and outstanding on a non-diluted basis.

Any entitlement to acquire Shares granted pursuant to the Plan or otherwise prior to the grantee becoming an Insider shall be excluded for the purpose of the limits set out above.

- 4.4 The number of Options granted to Directors under the Plan shall be limited to an annual equity award value (based on such valuation methodology as determined by the Board) of CAD\$100,000 per Director. The number of Options granted to Directors under the Plan, in combination with all other equity awards granted to Directors under any other security based compensation arrangement, shall be limited to an annual equity award value (based on such valuation methodology as determined by the Board) of CAD\$150,000 per Director.
- 4.5 The aggregate number of Shares reserved for issuance to Directors under the Plan shall not exceed 1% of the total number of issued and outstanding Shares.
- 4.6 Options may be granted in respect of authorized and unissued Shares. Shares in respect of which Options have expired, cancelled or otherwise terminated for any reason (other than exercise of the Options) shall be available for subsequent Options under the Plan.
- 4.7 No fractional Shares may be purchased or issued under the Plan.

5. Grants of Options

- 5.1 Subject to the provisions of the Plan, the Board shall, in its sole discretion and from time to time, determine those Eligible Persons to whom Options shall be granted and the date on which such Options are to be granted (the “**Grant Date**”). The Board shall also determine, in its sole discretion, in connection with each grant of Options:
- (a) the number of Options to be granted;
 - (b) the Option Price applicable to each Option, provided that the Option Price shall not be less than the Market Value per Share on the Grant Date; and

- (c) the other terms and conditions (which need not be identical and which, without limitation, may include non-competition provisions) of all Options covered by any grant.

6. Eligibility, Vesting and Terms of Options

- 6.1 Options may be granted to Eligible Persons only.
- 6.2 Subject to the adjustments provided for in Section 10 hereof, each Option shall entitle the Optionee to purchase one Share.
- 6.3 The option period (the “**Option Period**”) of each Option commences on the Grant Date and expires no later than at 4:30 p.m. Calgary time on the fifth anniversary of the Grant Date.

If an Option expires during a Black-Out Period, then, notwithstanding any other provision of the Plan, the Option shall expire 10 business days after the Black-Out Period is lifted by the Corporation.

- 6.4 Without restricting the authority of the Board in respect of the terms of Options to be granted hereunder, the Board may at its discretion, in respect of any such Option, provide that the right to exercise such Option will vest in instalments over the life of the Option or on the achievement of performance vesting targets determined by the Board at its discretion, with the Option being fully-exercisable only when such required time period or periods have elapsed or the performance targets have been met as determined by the Board in its sole discretion, as the case may be, and in connection therewith determine the terms under which vesting of the Options may be accelerated.
- 6.5 Subject to Section 8, an Option which is not subject to vesting, may be exercised (in each case rounded down to the nearest full Share) at any time during the Option Period. Subject to Section 8, an Option which is subject to vesting, once vested in accordance with the vesting terms, may be exercised (in each case rounded down to the nearest full Share) at any time during the Option Period.
- 6.6 An Option is personal to the Optionee and is non-assignable and non-transferable otherwise than (a) by will, (b) by the laws governing the devolution of property in the event of death of the Optionee, or (c) by transfer to a personal holding company wholly-owned and controlled by such Optionee (“**Holding Corporation**”) or to a registered retirement savings plan established for the sole benefit of such Optionee (“**RRSP**”) or from a Holding Corporation or RRSP to the Optionee and, in any such event, the provisions of the Plan shall apply *mutatis mutandis* as though they were originally issued to and registered in the name of the Optionee.

7. Option Agreement

- 7.1 Upon the grant of an Option, the Corporation and the Optionee shall enter into an option agreement, in a form set out in Appendix A or in such form as approved by the Board (the “**Option Agreement**”), subject to the terms and conditions of the Plan, which agreement

shall set out the Optionee's agreement that the Options are subject to the terms and conditions set forth in the Plan as it may be amended or replaced from time to time, the Grant Date, the name of the Optionee, the Optionee's position with or relationship to the Corporation or a related entity of the Corporation, as applicable, the number of Options, the Option Price, the expiry date of the Option Period and any vesting or other terms and conditions as the Board may deem appropriate.

8. Termination of Employment, Engagement or Directorship

- 8.1 In the event an Optionee's term of office, employment or engagement terminates for any reason other than death or for Cause, the Optionee may exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of termination no later than 90 days after such termination or such later date within the Option Period first established by the Board for such Option as the Board may fix; provided, however, that in no event shall any Option be exercisable following the expiration of the Option Period applicable thereto.
- 8.2 In the event an Optionee's employment or engagement is terminated for Cause, each Option held by the Optionee that has not been effectively exercised prior to such termination shall lapse and become null and void immediately upon such termination.
- 8.3 In the event of the death of an Optionee, either while serving as a director or in the employment or engagement of the Corporation, the Optionee's estate may, within 365 days from the date of the Optionee's death, exercise any Option granted hereunder to the extent such Option was exercisable and had vested on the date of the Optionee's death; provided, however, that no Option shall be exercisable following the expiration of the Option Period applicable thereto. The Optionee's estate shall include only the executors or administrators of such estate and persons who have acquired the right to exercise such Option directly from the Optionee by bequest or inheritance.
- 8.4 The Board may also in its sole discretion increase the periods permitted to exercise all or any of the Options covered by any Grant following a termination of directorship, employment or engagement as provided in Subsections 8.1, 8.2 or 8.3 above, if allowable under applicable law; provided, however, that in no event shall any Option be exercisable following the expiration of the Option Period applicable thereto.
- 8.5 The Plan shall not confer upon any Optionee any right with respect to a continuation of directorship, employment or engagement of, the Corporation or a related entity of the Corporation nor shall it interfere in any way with the right of the Corporation or a related entity of the Corporation to terminate any Optionee's term of office, employment or engagement at any time.
- 8.6 Unless otherwise agreed to in writing by the Board in accordance with this Section, any reference to "**termination**", "**date of termination**" or similar references in the Plan:
- (a) in the case of a director, is deemed to be to the date that such director's term of office with the Corporation or any related entity of the Corporation, as applicable ceases;

- (b) in the case of an Employee, is deemed to be the last day of active employment with the Corporation or its related entity, as applicable, regardless of any salary continuance or notice period provided or required under applicable law or the reason for termination of employment (whether with or without Cause or with or without notice); and
- (c) in the case of a Consultant, is deemed to be to the date that the relevant agreement pursuant to which the Consultant is engaged by the Corporation or any related entity of the Corporation, as applicable is terminated;

it being understood that any such reference means termination from the last position that the Eligible Person had with the Corporation or any related entity of the Corporation, as applicable (whether Options were granted under this Plan or any previous equity incentive plan).

- 8.7 For greater certainty (and subject to Subsections 6.5 and 8.6), an Option that has not become vested on the date that the relevant termination event referred to in this Section 8 occurred, shall not be or become exercisable and shall be cancelled.
- 8.8 If the date pursuant to which any Option would cease to be exercisable pursuant to Subsections 8.1, 8.2 or 8.3, in respect of the termination, other than for Cause, of any Eligible Person, occurs during a Black-Out Period, then, notwithstanding any other provision of the Plan, the Option shall continue to be exercisable on or before the date that is 10 business days after the Black-Out Period is lifted by the Corporation.

9. Exercise of Options

- 9.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Shares with respect to which the Option is being exercised, together with the appropriate form of payment (to be determined by the Corporation) for the aggregate of the Option Prices to be paid for the Shares to be purchased. Certificates for such Shares shall be issued and delivered to or to the direction of the Optionee within a reasonable time following the receipt of such notice and payment.

10. Adjustment on Alteration of Share Capital

- 10.1 In the event of a subdivision, consolidation or reclassification of outstanding Shares or other capital adjustment, the number of Shares reserved or authorized to be reserved under the Plan, the number of Shares receivable on the exercise of an Option and the Option Price therefor shall be increased or reduced proportionately and such other adjustments shall be made as may be deemed necessary or equitable by the Board in its sole discretion and such adjustment shall be binding for all purposes.
- 10.2 If the Corporation amalgamates, consolidates or combines with or merges with or into another body corporate, whether by way of amalgamation, arrangement or otherwise (the right to do so being hereby expressly reserved), any Share receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would

have received upon such amalgamation, consolidation, combination or merger if the Optionee had exercised his or her Option immediately prior to the effective date of such amalgamation, consolidation, combination or merger and the Option Price shall be adjusted as may be deemed necessary or equitable by the Board in its sole discretion and such adjustment shall be binding for all purposes of the Plan.

- 10.3 In the event of a change in the Corporation's currently authorized Shares which is limited to a change in the designation thereof, the shares resulting from any such change shall be deemed to be Shares within the meaning of the Plan.
- 10.4 In the event of any other change affecting the Shares, such adjustment, if any, shall be made as may be deemed necessary or equitable by the Board in its sole discretion to properly reflect such event and such adjustment be binding for all purposes of the Plan.
- 10.5 No adjustment provided in this Section 10 shall require the Corporation to issue a fractional Share and the total adjustment with respect to each Option shall be limited accordingly.
- 10.6 If, at any time when an Option granted under the Plan remains unexercised, an offer ("**Take-Over Bid**") to purchase all or substantially all of the Shares of the Corporation is made by a third party by means of a take-over bid circular, the Corporation shall use its best efforts to bring such offer to the attention of the Optionee as soon as practicable and the Board may, in a fair and equitable manner, at its option, require the acceleration of the time for the exercise of the Options granted under the Plan and of the time for or waiver of the fulfillment of any conditions or restrictions on such exercise (including without limitation, vesting requirements).
- 10.7 Notwithstanding any other provision herein, if because of a proposed merger, amalgamation or other corporate arrangement or reorganization, the exchange or replacement of Shares in the Corporation for securities, property or cash in or from another company is imminent ("**Business Combination**"), the Board may, in a fair and equitable manner, at its option determine the manner in which all unexercised option rights granted under the Plan shall be treated including, for example, requiring the acceleration of the time for the exercise of such rights by the Optionees and of the time for or the waiver of the fulfillment of any conditions or restrictions on such exercise (including without limitation, vesting requirements) or providing that any Share which would be receivable prior to the effective time of the Business Combination on the exercise of an Option be replaced with the securities, property or cash which the Optionee would have received if the Optionee had exercised his or her Option immediately prior to the effective time of the Business Combination and make any necessary adjustment, including adjustments to the Option Price, as may be deemed necessary or equitable by the Board in its sole discretion. All determinations of the Board under this Subsection 10.7 shall be binding for all purposes of the Plan. Any adjustments made by the Board in the context of a Business Combination are subject to TSX approval.
- 10.8 In order to permit Optionees to participate in a proposed Take-Over Bid or a proposed Business Combination that could result in a Change of Control, the Board may make appropriate provisions for the exercise of Options (whether vested or not) conditional upon

the Shares resulting therefrom being taken up and paid for under the Take-Over Bid or the completion of the Business Combination, as applicable.

11. Regulatory Approval

11.1 Notwithstanding any of the provisions contained in the Plan, Option Agreement or any term of the Option, the Corporation's obligations hereunder, including obligations to grant Options and issue Shares and to issue and deliver certificates for such securities to an Optionee pursuant to the exercise of an Option shall be subject to:

- (a) compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada and the United States or any other applicable jurisdiction ("**Securities Regulators**");
- (b) compliance with the requirements of the Exchange;
- (c) compliance with the Corporation's insider trading policy; and
- (d) receipt from the Optionee of such covenants, agreements, representations and undertakings, including as to future dealings in such Shares, as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

11.2 The Corporation shall in no event be obligated to take any action in order to comply with any laws, regulations, rules, orders or requirements.

12. Terms and Conditions of Options Granted to U.S. Participants

12.1 This Section 12 applies only to U.S. Participants. In this Section 12, the following words and phrases shall have the following meanings:

- (a) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended.
- (b) "**Disability**" means, with respect to any U.S. Participant, that such U.S. Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted, or can be expected to last, for a continuous period of not less than twelve (12) months. The preceding definition of the term "Disability" is intended to comply with, and will be interpreted consistently with, sections 22(e)(3) and 422(c)(6) of the Code.
- (c) "**Fair Market Value**" means, with respect to any property (including, without limitation, any Share), the fair market value, as of a given date, of such property, determined by such methods or procedures as are established from time to time by the Board. Unless otherwise determined by the Board, the fair market value of a Share as of a given date will be the closing board lot sale price per share of a Share on the Exchange on the Trading Day immediately preceding such date.

- (d) “**Grant Date**” means, with respect to any Option, the date on which the Board grants the Option.
 - (e) “**Incentive Stock Option**” means an Option that is intended to qualify as an “incentive stock option” pursuant to section 422 of the Code.
 - (f) “**Nonqualified Stock Option**” means an Option that is not an Incentive Stock Option.
 - (g) “**Option**” means an option to acquire Shares granted under this Plan.
 - (h) “**Subsidiary**” means any corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation, if each corporation (other than the last corporation) in such chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. The preceding definition of the term “**Subsidiary**” is intended to comply with, and will be interpreted consistently with, section 424(f) of the Code.
 - (i) “**U.S. Employee**” means a person who is an employee of the Corporation (or of any Subsidiary) for purposes of section 422 of the Code.
 - (j) “**U.S. Participant**” means an Optionee who is a citizen of the United States or a resident of the United States, in each case as defined in section 7701(a)(30)(A) and section 7701(b)(1) of the Code.
 - (k) “**10% Shareholder**” means any person who owns, taking into account the constructive ownership rules set forth in section 424(d) of the Code, more than ten percent (10%) of the total combined voting power of all classes of stock of the Corporation (or of any parent of the Corporation or Subsidiary).
- 12.2 Notwithstanding any other provision of this Plan to the contrary, the aggregate number of Shares available for Options shall not exceed, on a rolling basis, 10% of the outstanding Shares at the time of the granting of an Option, LESS the aggregate number of Shares then reserved for issuance pursuant to any other security based compensation arrangements, of which not more than 20,000,000 Shares may be issued pursuant to the exercise of Incentive Stock Options granted under the Plan, subject to adjustment pursuant to Article 10 of this Plan and subject to the provisions of sections 422 and 424 of the Code. For greater certainty, if an Incentive Stock Option is surrendered, terminated or expires without being exercised, the Shares reserved for issuance pursuant to such Incentive Stock Option shall be available for new Incentive Stock Options granted under this Plan.
- 12.3 Each Option Agreement with respect to an Option granted to a U.S. Participant shall specify whether the related Option is an Incentive Stock Option or a Nonqualified Stock Option. If no such specification is made in an Option Agreement, the related Option will be:

- (a) an Incentive Stock Option if all of the requirements under the Code that must be satisfied in order for such Option to qualify as an Incentive Stock Option are satisfied; or
- (b) in all other cases, a Nonqualified Stock Option. For the avoidance of doubt, if all or a portion of an Incentive Stock Option does not qualify as an Incentive Stock Option, then such portion that does not qualify as an Incentive Stock Option shall be a Nonqualified Stock Option.

12.4 In addition to the other terms and conditions of this Plan (and notwithstanding any other term or condition of this Plan to the contrary), the following limitations and requirements will apply to an Incentive Stock Option:

- (a) An Incentive Stock Option may be granted only to a U.S. Employee.
- (b) The aggregate Fair Market Value of the Shares (determined as of the applicable Grant Date) with respect to which Incentive Stock Options are exercisable for the first time by any U.S. Participant during any calendar year (pursuant to this Plan and all other plans of the Corporation and of any Parent or Subsidiary) will not exceed one hundred thousand dollars (U.S.\$100,000) or any other limitation subsequently set forth in section 422(d) of the Code. To the extent that such limitation is exceeded, the options in excess of such limitation will be treated as Nonqualified Stock Options.
- (c) The exercise price per Share payable upon exercise of an Incentive Stock Option will be not less than one hundred percent (100%) of the Fair Market Value of a Share on the applicable Grant Date; provided, however, that the exercise price per Share payable upon exercise of an Incentive Stock Option granted to a U.S. Participant who is a 10% Shareholder on the applicable Grant Date will be not less than one hundred ten percent (110%) of the Fair Market Value of a Share on the applicable Grant Date. Under no circumstances shall the exercise price of an Option be less than the closing board lot sale price per share of a Share on the Exchange on the Trading Day immediately preceding the Grant Date and provided further that for purposes of Incentive Stock Options Fair Market Value shall not be less than fair market value as determined in accordance with Section 1.422-2(e) of the tax regulations under the Code.
- (d) No Incentive Stock Option may be granted more than ten (10) years after the earlier of (i) the date on which the Board adopts the most recent amendment and restatement of the Plan or (ii) the date on which the shareholders of the Corporation approve such most recent amendment and restatement of the Plan.
- (e) An Incentive Stock Option will terminate and no longer be exercisable no later than the earlier of the term set by the Board and five (5) years after the applicable Grant Date.
- (f) If a U.S. Participant who has been granted an Incentive Stock Option ceases to be a U.S. Employee, then, in order to retain its status as an Incentive Stock Option for

U.S. federal tax purposes such Option must be exercised within the time limits set forth below. Failure to exercise such Incentive Stock Options within the following time limits will result in the Option ceasing to be an Incentive Stock Option.

- (i) If a U.S. Participant who has been granted an Incentive Stock Option ceases to be a U.S. Employee due to the death of such U.S. Participant, such Incentive Stock Option may be exercised (to the extent such Incentive Stock Option was exercisable on the date of death) by the estate of such U.S. Participant, or by any person to whom such Incentive Stock Option was transferred in accordance with Subsection 6.6, for a period of one (1) year after the date of death (but in no event beyond the term of such Incentive Stock Option).
- (ii) If a U.S. Participant who has been granted an Incentive Stock Option ceases to be a U.S. Employee due to the Disability of such U.S. Participant, such Incentive Stock Option may be exercised (to the extent such Incentive Stock Option was exercisable on the date of Disability) by such U.S. Participant for a period of one (1) year after the date of Disability (but in no event beyond the term of such Incentive Stock Option).
- (iii) If a U.S. Participant who has been granted an Incentive Stock Option ceases to be a U.S. Employee for any reason other than the death or Disability of such U.S. Participant or termination for Cause, such Incentive Stock Option may be exercised (to the extent such Incentive Stock Option was exercisable on the date of termination) by such U.S. Participant for a period of three (3) months after the date of termination (but in no event beyond the term of such Incentive Stock Option). If an Option ceases to be an Incentive Stock Option by virtue of this paragraph, it will be treated as a Nonqualified Stock Option and the provisions in Subsection 8.1 or 8.2, as applicable, will apply with respect to the period during which the Option may be exercised.

For purposes of this Subsection 12.4(f), the employment of a U.S. Participant who has been granted an Incentive Stock Option will not be considered interrupted or terminated upon (a) sick leave, military leave or any other leave of absence approved by the administrator of the Plan that does not exceed ninety (90) days in the aggregate; provided, however, that if reemployment upon the expiration of any such leave is guaranteed by contract or applicable law, such ninety (90) day limitation will not apply, or (b) a transfer from one office of the Corporation (or of any Parent or Subsidiary) to another office of the Corporation (or of any Parent or Subsidiary) or a transfer between the Corporation and any Parent or Subsidiary.

For greater certainty, under no circumstances shall the above time limits apply to extend the time limits applicable under Section 8.

- (g) An Incentive Stock Option granted to a U.S. Participant may be exercised during such U.S. Participant's lifetime only by such U.S. Participant.

- (h) An Incentive Stock Option granted to a U.S. Participant may not be transferred, assigned, pledged, hypothecated or otherwise disposed of by such U.S. Participant, except (i) by will, or (ii) by the laws of descent and distribution.
- 12.5 In the event that this Plan is not approved by the shareholders of the Corporation as required by Section 422 of the Code within twelve (12) months before or after the date on which this Plan is adopted by the Board, any Incentive Stock Option granted under this Plan will automatically be deemed to be a Nonqualified Stock Option.
- 12.6 Any adjustment, amendment or termination of outstanding Options granted to U.S. Participants will occur only if such actions are undertaken in accordance with Section 409A of the Code on a basis consistent with the regulations thereunder. Except as otherwise determined by the Compensation Committee, any adjustment in Incentive Stock Options (other than any cancellation of Incentive Stock Options) shall be made only to the extent not constituting a “modification” within the meaning of Section 424(h)(3) of the Code.
- 12.7 All Options and Shares issued pursuant to the Plan will be issued pursuant to the registration requirements of the U.S. Securities Act or an exemption from such registration requirements.
- 12.8 It is intended that the Plan comply with Section 409A of the Code, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such Participant in connection with the Plan or any other plan maintained by the Corporation, including any taxes and penalties under Section 409A of the Code, and neither the Corporation nor any affiliate shall have any obligation to indemnify or otherwise hold such U.S. Participant or any beneficiary harmless from any or all of such taxes or penalties. With respect to any Option that is considered “deferred compensation” subject to Section 409A of the Code, references in the Plan to “termination of employment” (and substantially similar phrases) shall mean “separation from service” within the meaning of Section 409A of the Code. For purposes of Section 409A of the Code, each of the payments that may be made in respect of any Option granted under the Plan is designated as a separate payment. Notwithstanding anything in the Plan to the contrary, if the U.S. Participant is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, no payments or deliveries in respect of any Options that are “deferred compensation” subject to Section 409A of the Code shall be made to such U.S. Participant prior to the date that is six months after the date of such U.S. Participant’s “separation from service” within the meaning of Section 409A of the Code or, if earlier, the U.S. Participant’s date of death. All such delayed payments or deliveries will be paid or delivered (without interest) in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day.

13. Miscellaneous

- 13.1 An Optionee entitled to Shares as a result of the exercise of an Option shall not be deemed for any purpose to be, or to have rights as, a shareholder of the Corporation by such

exercise, except to the extent Shares are issued therefor and then only from the date such Shares are issued. No adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date such Shares are issued pursuant to the exercise of Options.

- 13.2 If the Corporation or any of its related entities, as applicable, shall be required to withhold any amounts by reason of any federal, provincial, state, local or other laws of any jurisdiction concerning taxes, social security contributions or other source deductions in respect of the issuance or delivery of the Options or Shares to the Optionee, the Corporation or the related entity may deduct and withhold such amount or amounts from any payment made by the Corporation or the related entity to such Optionee, whether or not such payment is made pursuant to this Plan. In addition, or as an alternative to such withholding from payments, the Corporation or any related entity with a withholding obligation as described above may require an Optionee, as a condition of exercise of an Option, to pay to the Corporation or related entity, as the case may be, an amount not exceeding the total of the withholding obligation of the Corporation or related entity arising in respect of the issuance or delivery of the Options or Shares to the Optionee, or to reimburse the Corporation or related entity for such amount. Under no circumstances shall the Corporation or any related entity be responsible for funding the payment of any tax, social security contributions or other source deductions on behalf of the Optionee or for providing any tax advice to them.

14. Amendment and Termination

- 14.1 The Plan is effective as of May 14, 2026. Any amendments made are effective as of the date of amendment.
- 14.2 The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Plan, any Option or any portion thereof at any time, in accordance with applicable legislation, without obtaining the approval of the Shareholders. Notwithstanding the foregoing, the Corporation will be required to obtain Shareholder approval for any amendment to:
- (a) increase the percentage of issued and outstanding Shares available for issuance under the Plan;
 - (b) reduce the Option Price of any Option;
 - (c) cancel and reissue Options or substitute the Options with other awards or cash, other than as contemplated by Section 10;
 - (d) extend the original term of the Option Period for exercise of Options other than as contemplated in Section 6.3 and Section 8.8;
 - (e) amend, remove or exceed the participation limits for Insiders set forth in Section 4.4 herein;
 - (f) amend the eligibility for participation under the Plan;

- (g) permit Options granted under the Plan to be transferable or assignable other than as contemplated by Section 6.6; or
 - (h) Section 4.3, Section 6.6, or this Section 14.
- 14.3 Without limiting the generality of the foregoing, the Board may make the following amendments to the Plan, without obtaining Shareholder approval:
- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;
 - (b) amendments to address applicable securities or tax laws;
 - (c) amendments to the provisions of the Plan respecting administration of the Plan; and
 - (d) amendments to the Plan that are of a “housekeeping” nature.

14.4 Termination of the Plan

The Board may, from time to time, amend or suspend this Plan, in whole or in part, and may at any time terminate this Plan in accordance with this Section 14. No such amendment, suspension or termination shall adversely affect the rights of any Eligible Person at the time of such amendment, suspension or termination with respect to outstanding and unexercised Options held by such Eligible Person without the consent of the affected Eligible Person. If the Board terminates the Plan, no new Options will be awarded to any Eligible Person, but outstanding and unexercised Options shall remain outstanding, be exercisable in accordance with the terms and conditions of this Plan existing at the time of termination. This Plan will finally cease to operate for all purposes when the last remaining Options are exercised, expired, cancelled, surrendered or otherwise terminated in accordance with the terms and conditions of this Plan existing at the time of termination.

APPENDIX A

STAR DIAMOND CORPORATION STOCK OPTION PLAN OPTION AGREEMENT

This Option Agreement is entered into between Star Diamond Corporation (the “**Corporation**”) and the Optionee named below pursuant to the Corporation’s Stock Option Plan dated May 14, 2026 which may be amended from time to time (the “**Plan**”).

The Corporation hereby grants to the Optionee, the stock options to purchase common shares in the capital of the Corporation set out below (“**Options**”) and having the following terms:

1. Grant Date:
2. Optionee:
3. Optionee’s Position
with/relationship to the
Corporation or related
entity:
4. Number of Options:
5. Exercise Price:
6. Expiry Date:
7. Vesting:

This grant of Options is governed in all respects by the terms of the Plan and the provisions of the Plan are hereby incorporated by reference. Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan. The Plan is available under the Corporation’s SEDAR+ profile at www.sedarplus.com or upon request from the Corporation’s Corporate Secretary.

[OPTION - Insert if Optionee is a U.S. Participant and U.S. Employee as defined in Section 12 of the Plan and ISOs are being granted] [Unless this grant notice specifies otherwise, Options that meet the requirements of Code Section 422 and applicable regulations will be Incentive Stock Options (“ISOs”). U.S. Participants should refer to Section 12 of the Plan for provisions relating to ISOs. In addition, U.S. Participants should consult with their personal tax advisor with regard to the tax consequences relating to the exercise of an ISO and the subsequent sale of Shares, including the holding period requirement with respect to Shares received upon exercise of an ISO in order to retain favourable ISO tax treatment, and the possible alternative minimum tax implications as a result of exercise of an ISO (the latter will depend on the individual tax situation of the Optionee). **OR**

**Insert if Optionee is a U.S. Participant and Nonqualified Stock Option is being granted:
These Options are Nonqualified Stock Options.]**

Dated: _____

STAR DIAMOND CORPORATION

Per: _____
Authorized Signatory

ACKNOWLEDGEMENT:

I confirm my acceptance of this grant of Options under the terms and conditions described above and under the Plan and confirm and acknowledge that I have not been induced to sign this Option Agreement or acquire any Options by expectation of employment or continued employment with the Corporation or an affiliate.

I acknowledge and agree further that if the Corporation or an affiliate determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is required under applicable law in respect of any exercise of the Options, such exercise is not effective unless such withholding has been effected to the satisfaction of the Corporation. In such circumstances, the Corporation may require that the undersigned pay to the Corporation, in addition to and in the same manner as the Exercise Price for the Common Shares, such amount as the Corporation is obliged to remit to the relevant taxing authority in respect of the exercise of the Option. Any such additional payment is due no later than the date as of which any amount with respect to the Option exercised first becomes includable in the gross income of the Optionee for tax purposes. Under no circumstances shall the Corporation or an affiliate be responsible for the payment of any tax, social security contributions or any other withholding liabilities on behalf of the undersigned.

Accepted this ____ day of _____, _____.

Name: _____