



Notice of Annual General Meeting  
of Shareholders to be held on  
20 June 2022

Management Information Circular

**EUROMAX RESOURCES LTD.**

(the "Corporation")

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of the holders of common shares of the Corporation will be held at Euromax Resources Skopje Office, Partizanski Odredi Blvd No. 42, 4, Skopje, the Republic of North Macedonia on Monday, 20 June 2022 at 9:00 am CET for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the financial year ended 31 December 2021, and the auditors' report thereon;
2. To fix the number of directors of the Corporation at seven (7);
3. To elect the directors of the Corporation for the ensuing year;
4. To appoint BDO LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration; and
5. To consider and, if thought fit, pass an ordinary resolution approving the unallocated stock options under the Corporation's stock option plan, as more fully described in the accompanying management information circular of the Corporation in respect of the Meeting which accompanies this notice of meeting (the "**Circular**"); and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or postponement(s) thereof.

The directors have fixed the close of business on 16 May 2022 as the record date for determining registered shareholders who are entitled to receive notice of the Meeting and are entitled to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

This notice is accompanied by the Circular, a proxy or voting instruction form and a supplemental mailing list return card. The Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

Registered shareholders who cannot attend the Meeting are encouraged to date, sign and deliver the accompanying proxy and return it in accordance with the instructions set out therein. Non-registered shareholders who receive these materials through their broker or another intermediary are encouraged to complete and return the materials in accordance with the instructions provided by their broker or other intermediary.

DATED this 16 May 2022

BY ORDER OF THE BOARD OF DIRECTORS



Tim Morgan-Wynne

Executive Chairman

**EUROMAX RESOURCES LTD.**  
**MANAGEMENT INFORMATION CIRCULAR**  
**16 MAY 2022**

**Time, Date and Place**

This Management Information Circular (the "Information Circular") and the accompanying form of proxy are being sent in advance of the annual general meeting of holders of common shares (the "Common Shares") of Euromax Resources Ltd. ("Euromax" or the "Corporation"), to be held at Euromax Resources Skopje Office, Partizanski Odredi Blvd No. 42, 4, Skopje, the Republic of North Macedonia on Monday, 20 June 2022 at 9:00 am CET (the "Meeting") for the purposes set forth in the accompanying notice of annual general meeting of shareholders (the "Notice"). Information in this Information Circular is given as of May 16, 2022 unless otherwise indicated.

**Record Date**

The record date for determining registered holders of Common Shares of the Corporation ("Shareholders") entitled to receive notice of the Meeting and for determining Shareholders entitled to vote at the Meeting has been fixed at 5:00 p.m. (GMT) on 16 May 2022. Any Shareholder of record at 5:00 p.m. (GMT) on 16 May 2022 who either personally attends the Meeting or who has completed and delivered a form of proxy in the manner and subject to the provisions described below shall be entitled to vote or have his or her Common Shares voted at the Meeting.

**Currency**

This Information Circular contains references to United States dollars and Canadian dollars. All dollar amounts referenced, unless otherwise indicated, are Canadian dollars ("C\$") and United States dollars ("US\$"). Unless otherwise stated, all amounts referred to in this Information Circular that were paid or incurred in either British pounds sterling, United States dollars or Macedonian denars have been converted into Canadian dollars using rate information sourced from [www.oanda.com](http://www.oanda.com).

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting (and any adjournment or postponement thereof) for the purposes set forth in the Notice.

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers, employees or agents of the Corporation without special compensation. The costs associated with the solicitation of proxies by management will be borne by the Corporation.

**Appointment and Deposit of Proxies**

The individuals named as appointed proxyholders in the accompanying form of proxy are Tim Morgan-Wynne, the Executive Chairman, and a director of the Corporation and, failing him, Nicolas Treand, President and Executive director of the Corporation.

**A Shareholder has the right to appoint a person, or company (who need not be a Shareholder) to represent the Shareholder at the Meeting other than the persons designated in the form of proxy, and may exercise such right by inserting the name of the desired person in the blank space provided in the form of proxy or by completing another form of proxy.**

To be valid, a proxy must be in writing and executed by the Shareholder or its attorney authorized in writing, or if the Shareholder is a corporation, an authorized director, officer or attorney. Completed proxies must be delivered to the Corporation c/o Computershare Investor Services Inc., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (or using telephone or internet 24/7 based on the proxy or voting instruction form) by 9:00 a.m. (CET) on 16 June 2022 or, in the case of a Meeting adjournment, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the adjourned or postponed Meeting, unless the chairman of the Meeting elects to exercise his discretion, which may be without notice, to accept proxies received subsequently.

### **Exercise of Discretion by Proxies**

The Common Shares represented by a properly executed proxy will be voted for or against or will be withheld from voting on each matter referred to in the Notice, in accordance with the instructions of the Shareholder, on any ballot that may be called for. If the Shareholder specifies a choice with respect to any matter, the Common Shares will be voted accordingly. **If a Shareholder does not specify a choice, the Common Shares represented by a proxy given to management proxyholders will be voted in favour of all matters specified in the Notice.**

The form of proxy accompanying this Information Circular also confers discretionary authority upon the proxyholder named therein with respect to any amendments or variations to the matters identified in the Notice and any other matters which may properly come before the Meeting or any postponement or adjournment thereof, in each instance, to the extent permitted by law, whether or not the amendment or variation or other matter that comes before the Meeting is contested. In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting, it is the intention of the persons designated in the accompanying form of proxy to vote in accordance with their best judgment on such matter or business. At the time of printing of this Information Circular, management of the Corporation is not aware of any such amendment, variation or other matter which may be presented at the Meeting.

### **Revocation of Proxies**

A proxy may be revoked by: (a) completing a proxy bearing a later date and returning it to Computershare Investor Services Inc. to arrive by 9:00 a.m. (CET) on 16 May 2022 or, in the case of a Meeting adjournment, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the adjourned or postponed Meeting; or (b) by depositing a written instrument executed by the Shareholder, by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by an authorized director, officer or attorney of the corporation: (i) to the Corporation's registered office at 400-725 Granville Street, Vancouver, British Columbia, Canada V7Y 1G5 at any time up to 5:00 p.m. (Vancouver time) on the last business day preceding the date of the Meeting or any adjournment or postponement thereof; or (ii) with the chairman of the Meeting on the date of the Meeting or any adjournment thereof before the taking of any vote in respect of which the proxy is to be used; or (c) in any other manner permitted by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

### **Information for Non-Registered (Beneficial) Owners of Common Shares**

The Common Shares owned by many Shareholders are not registered on the records of the Corporation in their own names. Rather, such Common Shares are registered in the name of a securities dealer, bank or other intermediary, or in the name of a clearing agency (referred to in this Information Circular as "**Intermediaries**"). Shareholders who do not hold their Common Shares in their own names (referred to in this Information Circular as "**non-registered owners**") should note that only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. A non-registered owner cannot be recognized at the Meeting for the purposes of voting his or her Common Shares unless such holder is appointed by the applicable Intermediary as a proxyholder.

Non-registered owners who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as non-objecting beneficial owners ("**NOBOs**"). Those non-registered owners who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as objecting beneficial owners ("**OBOs**").

The Corporation will pay for an Intermediary to deliver the Meeting materials to OBOs, including a VIF (as defined below). The Corporation will not rely on the notice and access delivery procedures outlined in National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer to distribute copies of proxy-related materials in connection with the Meeting.

Meeting materials sent to NOBOs will be accompanied by a request for voting instructions ("**VIF**"). This form is provided instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered owner is able to instruct the registered shareholder how to vote on behalf of the non-registered owner. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered owners to direct the voting of the Common Shares which they beneficially own. If a non-registered owner who receives a VIF wishes to attend the Meeting, then the non-registered owner should appoint him or herself as proxyholder by writing his or her name in the space provided on the VIF and return it in accordance with the instructions noted on it. Do not complete the voting section of the VIF as your vote will be taken at the Meeting.

**IF YOU ARE A NON-REGISTERED OWNER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE REFER TO THE INSTRUCTIONS SET OUT ON THE "REQUEST FOR VOTING INSTRUCTIONS" (VIF) THAT ACCOMPANIES THIS INFORMATION CIRCULAR.**

**Voting Securities and Principal Holders of Voting Securities**

As of 16 May 2022, there were 353,421,200 fully paid and non-assessable Common Shares of the Corporation issued and outstanding, each carrying the right to one vote. The Corporation has no other classes of voting securities.

To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares of the Corporation except as follows:

Name	Number of Common Shares	Percentage of Common Shares Outstanding
Galena Resource Equities Limited ("Galena") <sup>1</sup>	191,610,952	54.22%

Notes:

1. An entity controlled by Galena Asset Management S.A., which is an affiliate of the Trafigura Group.

**BUSINESS OF THE MEETING**

**Financial Statements**

The audited consolidated financial statements of the Corporation for the year ended 31 December 2021 and the report of the auditors thereon will be presented at the Meeting.

**Fixing the Number of Directors and Election of Directors**

Pursuant to the Corporation's articles of amalgamation (the "**Articles**"), the number of directors may be fixed or changed by ordinary resolution, subject to a limited right of the board of directors of the Corporation (the "**Board**") to increase the number of directors between shareholder meetings. At the Meeting, shareholder approval will be sought by way of an ordinary resolution to fix the number of directors of the Corporation at seven (7). **The management proxyholders named in the accompanying form of proxy intend to vote FOR fixing the number of directors at seven.**

The term of office of each of the present directors expires at the Meeting. **Each of the persons whose name appears below will be presented at the Meeting as management's nominees for election as a director of the Corporation and the management proxyholders named in the accompanying form of proxy intend to vote FOR the election of these nominees.** Management does not expect that any of these nominees will be unable to act. The directors of the Corporation are elected to serve until the next annual general meeting of the Shareholders of the Corporation or until their successors are appointed unless they cease to hold office sooner.

The following table sets out the names and positions of the proposed nominees for election as directors, the province and country in which each is resident, their principal occupations, the period of time for which each has served as a director of the Corporation, and the number of Common Shares of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by each as of the date of the Information Circular. This information concerning respective nominees has been furnished by them.

Name, Jurisdiction of Residence and Position	Director Since	Principal Occupation and, if not a previously elected Director, Occupation during the past 5 years	Common Shares beneficially owned, or controlled or directed, directly or indirectly
Tim Morgan-Wynne <sup>(2)</sup> Executive Chairman London, England	14 June 2012	Executive Chairman of the Corporation	1,209,606
Martyn Konig <sup>(1)(2)</sup> Non-Executive Director Jersey, Channel Islands	22 May 2012	Non-executive director of the Corporation; Non-Executive Chairman of Nyrstar NV; Non-Executive Director of Chambers Waste Management Plc; Non-executive Director of Chambers Runfold Plc	11,105,645
Stanislav Delchev <sup>(1)(4)</sup> Non-Executive Director Sofia, Bulgaria	18 September 2020	Non-executive director of the Corporation; Deputy Finance Director in Geotechmin OOD and Director in Geotechmin Services EOOD	-
James Burke <sup>(1)(2)(4)</sup> Non-Executive Director Geneva, Switzerland	28 June 2018	Non-executive director of the Corporation; Manager of Investments and M&A Division at Trafigura Pte Ltd and Independent Director of Cadillac Ventures Inc.	-
Nicolas Treand <sup>(4)</sup> President and Executive Director Geneva, Switzerland	17 April 2019	President and Executive Director of the Corporation; Manager of Investments and M&A, family office and asset management	-
Ivan Vutov <sup>(4)</sup> Non-Executive Director Geneva, Switzerland	20 June 2019	Non-executive director of the Corporation; Chairman of Board of Directors of Geotrading AD, Vice President of Geotechmin OOD	-
Patrick Forward <sup>(3)</sup> Executive Director London, England	01 October 2021	Non-executive director of the Corporation; previously served as Chief Operating Officer of the Corporation from November 2012	883,296

Notes:

1. Member of the Audit Committee.
2. Member of the Compensation Committee.
3. Member of the Technical Committee
4. Galena Nominee

The Corporation's Audit Committee is currently comprised of: Stanislav Delchev (Chair), Martyn Konig and James Burke, and if they are re-elected, it is expected that they will continue to serve on the Audit Committee.

The Corporation's Compensation Committee is currently comprised of: Martyn Konig (Chair), Tim Morgan-Wynne and James Burke, and if they are re-elected, it is expected that they will continue to serve on the Compensation Committee.

The Corporation's Technical Committee is currently comprised of: Greg Morris (Chair), Patrick Forward and Vladislav Trashliev.

**Approval of Unallocated Stock Option under Stock Option Plan**

The Corporation grants stock options under its stock option plan, as amended, effective May 19, 2015 (the "**Stock Option Plan**"), to provide an incentive to eligible directors, officers and employees of, and consultants to, the Corporation and its subsidiaries.

The number of Common Shares issuable under the Stock Option Plan and all of the Corporation's other Share Compensation Arrangements cannot exceed 15% of the number of Common Shares outstanding from time to time. Because the Stock Option Plan does not have a fixed maximum number of Common Shares issuable under it, the rules of the Toronto Stock Exchange require that all unallocated options under the Stock Option Plan be subject to renewal approval by a majority of the Board and Shareholders every three years. The Stock Option Plan was last approved by Shareholders at the annual meeting of Shareholders held on June 20, 2019 (and by the Board prior to that meeting). Accordingly, the unallocated options must be approved by Shareholders at the Meeting. The Board has approved the unallocated options prior to the mailing of this Information Circular.

A summary of the Stock Option Plan is set out below in section "Statement of Executive Compensation". This summary is qualified in its entirety by the full text of the Stock Option Plan which is appended as Schedule "A" to the Information Circular.

As at 16 May 2022 up to 53,013,180 Common Shares are issuable and 8,728,603 options and 2,296,155 restricted share units ("RSUs") are outstanding under the Stock Option Plan. Accordingly, an aggregate of 41,988,422 options are unallocated under the stock option plan.

At the Meeting, Shareholders will be asked to consider and, if thought fit, pass a resolution (the "**Stock Option Resolution**") approving the unallocated options under the stock option plan substantially in the following form:

"Resolved, as an ordinary resolution, that:

- (i) all unallocated options under the 2015 stock option plan, as amended, of Euromax Resources Ltd. are hereby approved until 20 June 2025, the date that is three years from the date hereof; and
- (ii) any one officer or director of the Corporation be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolutions."

As the Stock Option Plan does not contain an insider participation limit, approval of the Stock Option Resolution must be passed by a majority of the votes cast by disinterested Shareholders thereon at the Meeting, in person or by proxy, and excludes votes attached to Common Shares beneficially owned by insiders of the Corporation to whom options may be granted under the Stock Option Plan and associates thereof. 13,198,547 Common Shares held by directors and executive officers of the Corporation and associates thereof will be excluded.

If the Stock Option Resolution is not so passed, then we will be prohibited from making any further option grants under our stock option plan until such time as the requisite shareholder approval is obtained. Options outstanding immediately prior to the Meeting will not be affected by the results of the vote on the Stock Option Resolution.

**Management of the Corporation and the Board of Directors believes that approval of the unallocated options under our Stock Option Plan is in the best interest of the Corporation and our Shareholders and, accordingly, unanimously recommends that Shareholders vote in favour of the Stock Option Resolution. Unless otherwise instructed, the persons named in the form of proxy enclosed with this Information Circular intend to vote FOR the Stock Option Resolution.**

#### **Majority Voting Policy**

In a movement aimed at providing the most fair and unbiased election of directors to the Board, the Corporation has adopted a majority voting policy that applies to nominees for election to the Board in uncontested elections. Future nominees for election to the Board will be required to confirm that they will abide by this policy. Applicable laws require that forms of proxy for the election of directors permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. In uncontested elections of directors at duly called meetings of Shareholders, any director nominee who receives a greater number of "Withhold" votes than "For" votes will be considered by the Board not to have received the support of Shareholders, even though duly elected as a matter of corporate law. Such a nominee will be expected to immediately tender his or her resignation to the chairman of the Board. The chairman of the Board will immediately refer the resignation to the directors who did not receive a majority Withhold vote, who shall review the resignations and recommend a course of action to the full Board.

## Nomination Rights

On 9 December 2014 the Corporation entered into an investor rights agreement with EBRD (as amended on May 20, 2016), pursuant to which EBRD is entitled to designate one nominee to be included among the Corporation's nominees for election to the Board at each meeting of Shareholders of the Corporation at which directors of the Corporation are to be elected. This nomination right shall terminate when EBRD is no longer the beneficial owner of Common Shares representing 5% or more of the Corporation's issued and outstanding Common Shares, on a non-diluted basis. In accordance with such nomination right, EBRD has not nominated a director for election at the Meeting.

As long as it owns 5% or more of the issued and outstanding Common Shares, EBRD shall be entitled to appoint an individual to serve as its delegate on the Technical Committee.

EBRD has not appointed an individual to serve as its delegate on the Technical Committee.

On 29 April 2016 the Corporation entered into a convertible debenture subscription and investor rights agreement with CC Mining S.A. ("**CCM**"), pursuant to which, upon subscription of the convertible loan and for so long as CCM beneficially owns more than 5% of the outstanding Common Shares of the Corporation:

- CCM shall be entitled to nominate a director to the Board (subject to such nominee satisfying the qualification requirements under the Toronto Stock Exchange ("**TSX**") and the Corporation's governing statute and Articles and being approved by the Board and Shareholders of the Corporation); and
- CCM shall also be entitled to appoint a member to the Corporation's Technical Committee to assist in the front-end-engineering design process and the development of the Ilovica-Shtuka Project.

CCM has not nominated a director for election at the Meeting.

On 12 April 2018 the Corporation closed a non-brokered private placement financing (the "**2018 Private Placement**") to Galena Resource Equities Limited ("**Galena**"), an entity controlled by Galena Asset Management S.A. which is an affiliate of the Trafigura Group. In connection with closing of the 2018 Private Placement, the Corporation and Galena entered into an ancillary rights agreement dated April 10, 2018, which provided Galena with the right to nominate two members of the Board until such time as it no longer holds greater than 10% of the Corporation's issued and outstanding Common Shares (the "**Ancillary Rights Agreement**").

On May 13, 2019, the Corporation closed a non-brokered private placement financing (the "**2019 Private Placement**") to Galena followed by an amendment of the Ancillary Rights Agreement (the "**Amended Ancillary Rights Agreement**") to provide Galena with the right to nominate two additional directors to the Board (for four directors in total) until such time as Galena (collectively with its affiliates) no longer holds greater than 20% of the Corporation's issued and outstanding Common Shares (calculated on a fully diluted basis). If Galena (collectively with its affiliates) holds between 10% and 20% of the Corporation's issued and outstanding Common Shares (calculated on a fully diluted basis), Galena can only nominate two directors to the Board. The Amended Ancillary Rights Agreement provides that the Board shall consist of eight directors should Galena hold greater than 10% and less than 55% of the Corporation's issued and outstanding Common Shares (calculated on a fully diluted basis). In the event that Galena (collectively with its affiliates) holds greater than 55% of the Corporation's issued and outstanding Common Shares (calculated on a fully diluted basis), Galena will have the right to nominate an additional director to the Board (for five directors in total), increasing the total number of Board members to nine.

In accordance with such nomination right, Mr. James Burke, Mr. Nicolas Treand, Mr. Ivan Vutov and Mr. Stanislav Delchev have been included in the management slate of director nominees for election at the Meeting as the designated nominees of Galena.

As long as it holds greater than 10% of the Corporation's issued and outstanding Common Shares, Galena will have the right to nominate two members of the Corporation's Technical Committee. At present, Greg Morris and Vladislav Trashliev are serving as Galena's representatives at the Technical Committee.

#### **Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

To the Corporation's knowledge, no proposed director of the Corporation is, as at the date of the Information Circular, or has been, within 10 years prior to the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- i. was the subject of an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- ii. was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer, chief financial officer of the company being the subject of such order and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of that company.

For the purposes of the above, "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities regulation, in each case, that was in effect for a period of more than 30 days.

To the Corporation's knowledge, no proposed director of the Corporation is, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the Corporation's knowledge, no proposed director of the Corporation has, within the 10 years before the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Corporation 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 penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for that proposed director.

#### **Appointment of Auditors**

Management recommends that Shareholders re-appoint BDO LLP as auditors of the Corporation, to hold office until the next annual general meeting of Shareholders, and to authorize the directors to fix their remuneration. BDO LLP has been the Corporation's auditor since December 2018. The management proxyholders named in the accompanying form of proxy intend to vote in favour of the re-appointment of BDO LLP and authorizing the directors to fix their remuneration.

**Absent contrary instructions, proxies given pursuant to this solicitation by the management of the Corporation will be voted FOR the appointment of BDO LLP as the auditors of the Corporation to hold office until the next annual general meeting of Shareholders or until a successor is appointed and the authorization of the directors to fix the remuneration of the auditor.**

## STATEMENT OF EXECUTIVE COMPENSATION

### Introduction

In the following pages we describe the Corporation's policies and practices in respect to the compensation of senior executives, the role and structure of the Compensation Committee in this process, and the detailed disclosure of the remuneration of the Named Executive Officers (each a "**NEO**"). For the purposes of Form 51-102F6 of National Instrument 51-102 – Continuous Disclosure Obligations, the Corporation's NEOs during the financial year ended 31 December 2021 were:

- Tim Morgan-Wynne, Executive Chairman;
- Nicolas Treand, President & Executive Director;
- Patrick Forward, Director, and served as Chief Operating Officer until 1 October 2021, and
- Nikola Gulev, Chief Financial Officer.

### Compensation Discussion and Analysis

The Corporation's Compensation Committee is the committee of the Board that has the primary function of making recommendations to the Board on the compensation, recruitment, retention, termination and incentive policies and procedures for the NEOs of the Corporation and also administering the Corporation's equity based compensation plans.

The Corporation's compensation philosophy is to attract, retain and motivate NEOs of the quality required to manage the Corporation having regard to views of Shareholders to ensure that the Corporation has in place programs to attract and develop management of the highest calibre. Additionally, the Corporation ensures that the compensation it pays is competitive and affordable as an element of the Corporation's overall cost of doing business, and that it appropriately rewards performance and acts as an incentive to achieve long term success.

Another important principle of the Corporation's compensation philosophy is to align NEO compensation with shareholder interests, which specifically is to maximise long term shareholder value. In March 2013 the Board approved an executive compensation policy (the "**Executive Compensation Policy**") which aimed to provide structure to the Corporation's compensation and incentive plans. As a result, a new restricted share unit plan (the "**RSU Plan**") was adopted following approval by Shareholders at the Corporation's 2013 annual meeting of Shareholders, as amended at the Corporation's 2015 annual meeting of Shareholders, in addition to the Corporation's existing stock option plan (the "**Option Plan**").

In addition, a deferred phantom unit plan ("**DPU Plan**") was adopted by the Board for the primary purpose of offering an alternative means of compensation to the non-executive directors and to the extent deemed appropriate by the Board, the NEO's.

#### *Compensation Governance and Executive Compensation Policy*

The Corporation's Compensation Committee makes recommendations to the Board with respect to annual salary, bonus, equity based awards and other benefits of its executive management in line with the principles set out in the Corporation's Executive Compensation Policy. In determining compensation each Compensation Committee member's personal experience and knowledge of compensation practices in comparable companies is applied in the context of the Corporation's available cash resources.

Please refer to the description of the Compensation Committee members under “Statement of Corporate Governance Practices – Compensation Committee” in this Information Circular as it relates to their experiences and qualifications applicable to serving on the Compensation Committee.

The Executive Compensation Policy was designed to reflect the Corporation’s new focus on project development with a view to motivating and retaining suitably skilled and experienced senior management to create value for Shareholders. The Executive Compensation Policy is intended to be commensurate with compensation policies of comparable companies whilst endeavouring to adhere to remuneration policy guidelines recommended by best corporate governance practice in Canada and the United Kingdom.

The Executive Compensation Policy includes three basic elements:

- a. Base salary
- b. Short term incentive
- c. Long term incentive

#### *Base salary*

Each NEO's base salary was intended to remunerate the NEO for discharging his or her responsibilities. The amount of the base salary or fee was determined primarily by evaluating the responsibility of the individual and the experience and knowledge of the individual, having regard to the Corporation's understanding of compensation received by executives in similar positions at companies similar to the Corporation. The Corporation's available cash was also taken into consideration when determining the amount of the base salary.

Messrs. Tim Morgan-Wynne and Forward are located in London, United Kingdom and therefore their salaries have been set in consideration of current salary trends in London. On October 1, 2021 Patrick Forward was appointed as a Non Executive Director, stepping down from his day to day duties as a Chief Operating Officer.

Mr. Gulev is located in the Republic of North Macedonia, and therefore his salary has been set in consideration of the current salary trends in the country.

#### *Short Term Incentive*

The annual bonus is a short term incentive designed to reward NEOs for performance during the previous calendar year measured against criteria agreed at or prior to the beginning of that year. The Compensation Committee has discretion to assess performance generally and not solely against previously agreed criteria, particularly if unforeseen events occur during the year. The Compensation Committee has absolute discretion to award annual bonuses entirely in cash or in any proportions of cash and/or RSUs or deferred phantom units ("DPUs").

#### *Long Term Incentive*

The Corporation's long term incentive strategy is comprised of the long term incentive plan ("LTIP") and the DPU Plan.

#### **LTIP**

The Executive Compensation Policy established the LTIP pursuant to which executives are awarded share options and performance related RSUs which vest over three years. The LTIP aims to achieve the following objectives:

- Align the interests of senior management with the medium to long term interests of Shareholders.
- Link compensation to the performance of the Corporation.
- Leverage performance through emphasis on variable compensation awarded against defined business goals.
- Align senior management closely with key elements of the Corporation's business strategy.

Subject always to the overriding discretion of the Compensation Committee, all awards made under the LTIP will comprise two parts of equal value:

- Options that vest in tranches over a three year period; on the condition of the executive remaining employed and not under notice of termination on the vesting date; and
- RSUs that will vest in tranches over a three year period, and pro-rata according to the Corporation's share price performance measured against the Market Vectors Junior Gold Mines ETF (the "GDXJ") calculated over a calendar year.

However, no share options nor RSUs were granted for NEOs for the year ended December 31, 2021.

Vesting of all awards is conditional on the executive remaining employed and not under notice of termination on the vesting date. All awards will be subject to the Compensation Committee having complete discretion to "claw back" the award in the event that it is later discovered that successful performance was based on material misstatement or error.

Awards of options and RSUs for all employees and consultants, including NEOs, are approved by the Board on the recommendation of the Compensation Committee.

#### **Option Plan**

TSX policy requires stock option plans which reserve a maximum of 15% of the issued and outstanding Corporation's Common Shares from time to time, to be approved by Shareholders when instituted, when amended and every three years after institution.

Under the Option Plan directors, executive officers, employees and consultants of the Corporation are eligible to receive share options. The purpose of the Option Plan is to incentivise eligible persons to deliver beneficial services to the Corporation and to align their objectives with Shareholders in maximising long term shareholder value.

The Board has the right to amend any provisions of the Option Plan, which will be subject to any necessary regulatory approval and, if required, Shareholder approval.

The Option Plan is administered by the Compensation Committee, which has the authority to grant options to directors, officers, employees, and consultants. At the time an option is granted, the Compensation Committee will determine the exercise price, which shall not be less than the closing price of the Common Shares of the Corporation traded on the TSX on the day immediately preceding the date of the grant less any discount permitted by the TSX, and any vesting criteria or other restrictions with respect to the exercise of the options. Options granted pursuant to the Option Plan are not transferable or assignable, and the term of any options granted shall not exceed a term of five years. If an optionee ceases to be an eligible person for any reason whatsoever, other than death, each option held by such optionee will cease to be exercisable in a period not exceeding 90 days following termination, or such longer period as the Compensation Committee may determine. However, if the option holder is engaged in investor relations activities the options must cease to be exercisable in a period not exceeding 30 days following termination, or such longer period as the Compensation Committee may determine. If an optionee dies, the legal representative of the optionee may exercise the optionee's option for a period not exceeding one year after the date of the optionee's death.

The maximum number of Common Shares of the Corporation which may be reserved for issuance to any one person under the Option Plan in any 12-month period is 5% of the issued Common Shares of the Corporation (on a non-diluted basis), less the aggregate number of Common Shares reserved for issuance under any other share based compensation arrangement of the Corporation. If the optionee is an insider of the Corporation at the time of any proposed reduction in exercise price of an option, the proposed reduction in the exercise price is subject to the receipt of prior disinterested shareholder approval.

As of 31 December 2021, the Corporation has granted 8,728,603 options (or 2% of outstanding shares), out of which 6,628,603 options have been granted to NEOs (detailed presented below in "Outstanding Option Based and Share based awards"). Considering the maximum aggregate number of Common Shares available for the grant of options under the Option Plan and the RSU Plan, which is equal to 15% of the issued and outstanding Corporation's Common Shares, at 31 December 2021 the Corporation is entitled to grant further 41,716,172 options or RSUs in aggregate, but no more than 6,043,579 RSUs, to NEOs under either the Option Plan or under the RSU Plan.

The exercise price of all options granted for NEOs is calculated on the basis of the closing market price of the Corporation's Common Shares on the day prior to grant of the option. Therefore, as options only have value if the market value of the Corporation's Common Shares appreciates over time (detailed presented below in "Summary Compensation Table"), the objective of option grants to executives is to align the interests of the executives directly to the interests of Shareholders while acting as a long term retention and incentive tool.

#### RSU Plan

In March 2013 the Corporation adopted the RSU Plan authorizing the Compensation Committee to grant, from time to time, RSUs and RSU JOE Awards (as defined below) to acquire Common Shares of the Corporation to RSU Eligible Persons (as defined below). In May 2015, the Corporation amended the RSU Plan in order to comply with TSX requirements. The purpose of the RSU Plan is to assist and encourage directors, executive officers, employees and consultants of the Corporation to work towards and participate in the growth and development of the Corporation and to provide such persons with the opportunity to acquire an ownership interest in the Corporation. RSUs are "phantom" shares that rise and fall in value based on the value of the Corporation's Common Shares and are redeemed at no cost for a like number of Common Shares on the vesting dates determined by the Compensation Committee when the RSUs are granted. RSU JOE Awards are awards of shares to be jointly owned by an RSU Eligible Person and the trustee of the employees' share trust established by the Corporation (each, an "RSU JOE Award"). "RSU Eligible Person" means for the purposes of RSUs, at the grant date, directors, officers, employees or consultants of the Corporation, or any related entity or permitted assign of any such person (as such terms are defined in the RSU Plan) and for the purpose of RSU JOE Awards means directors, officers, employees of the Corporation, or any related entity or permitted assign of any such person (as such terms are defined in the RSU Plan), provided that they are not in Canada.

The maximum number of RSUs reserved for issuance under the RSU Plan shall not exceed 7,058,124 Common Shares (or 2% of outstanding Common Shares as of 31 December 2021), subject to certain adjustment under the RSU Plan, provided that the combined number of share options and RSUs in issue does not exceed 15% of the outstanding Common Shares at the time of grant. The maximum number of Common Shares of the Corporation which may be reserved for issuance at any time or granted to insiders, including within a 12-month period, together with any share based compensation arrangement, may not exceed 10% of the issued Common Shares of the Corporation.

The Compensation Committee has the right to amend any provisions of the RSU Plan, which will be subject to any necessary regulatory approval and, if required, shareholder approval.

The vesting criteria for the RSUs is designed so that the value of the RSUs will appreciate or depreciate depending on how well the Corporation's Common Share price performs against its peers and general market conditions that are defined as benchmarks for that. The Compensation Committee has determined the GDXJ to be a relevant benchmark to assess the share price performance. To the extent that the Corporation's share price underperforms the GDXJ the number of RSUs vesting shall reduce on a pro-rata basis. To the extent that the Company's share price outperforms the GDXJ additional RSUs shall be awarded on a proportionate basis.

No later than 30 days following the vesting of RSUs, an equal number of Common Shares will be issued from the treasury of the Corporation.

Considering that all issued RSUs' vesting conditions were met, the Compensation Committee has agreed with RSU Eligible Persons who have RSUs to postpone the vesting of these RSUs to at least 31 December 2022. In return the Corporation agreed that in the event of the termination of the RSU Eligible Person's employment for any reason or death, prior to the postponed vesting date, the RSUs would be vested in full, notwithstanding provisions to the contrary in the RSU Plan.

The table below sets out the maximum number of securities any one person or company is entitled to receive under the RSU Plan and the percentage of the listed issuer's currently outstanding capital represented by these securities.

NEO Name	RSUs granted	% of outstanding shares
Patrick Forward	1,702,651	0.48%

At 31 December 2021, 2,491,155 RSUs were granted (or 1% of outstanding shares), out of which 1,702,651 RSUs have been granted to NEOs (detailed presented below in "Outstanding Option Based and Share based awards").

Following the condition that RSUs are redeemed at no cost, the market value of the Corporation's Common Shares represents the value of executives, whereby RSUs, as an incentive tool, is aligning the interests of the executives directly to the interests of Shareholders.

#### **DPU Plan**

In March 2013 the Corporation adopted the DPU Plan authorizing the Compensation Committee to grant, from time to time, DPUs to any DPU Eligible Person (as defined below). The purpose of the DPU Plan is to strengthen the alignment of interests between the directors, officers and Shareholders of the Corporation by permitting directors and certain officers to link at least a portion of annual compensation to the future value of the Common Shares of the Corporation. In addition, the DPU Plan has been adopted for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of individuals as directors and officers. DPUs are "phantom" units that rise and fall in value based on the value of the Corporation's Common Shares, to be redeemed by the Corporation on a date as provided for in the DPU Plan ("**Redemption Date**"). Under the terms of the DPU Plan, the Redemption Date cannot occur earlier than 90 days following the Separation Date (as defined below) or later than the last business day of the calendar year following the calendar year in which the Separation Date occurs. A "**Separation Date**" is the earliest date that the holder of a DPU ("**DPU Participant**") ceases to be a director, officer or employee of the Corporation or an affiliate of the Corporation (as designated by the Compensation Committee for the purposes of the DPU Plan) ("**Designated Affiliate**"). However, DPUs are not redeemed for actual Common Shares in the Corporation, but instead for a payment of cash by the Corporation to the relevant DPU Participant ("**DPU Payment**") on the Redemption Date. "**DPU Eligible Person**" means, at the effective date of grant any officer or director of the Corporation or of a Designated Affiliate.

Subject to the terms of the DPU Plan, each DPU Participant may elect ("**DPU Election**") to receive up to 100% of the remuneration (including any bonus) ("**Remuneration**") due to him/her, in respect of services that he/she has performed during a six month period, in DPUs. The deadline ("**DPU Election Deadline**") for the DPU Election to be made for (i) services rendered between 1 April and 30 September of a given year shall be 31 March of that year and (ii) for services rendered between 30 September and 31 March shall be 30 September of that previous year. Subject to compliance with any applicable rules of the TSX, the number of DPUs that a DPU Participant is entitled to receive (on the date that an instalment of Remuneration is payable to him/her by the Corporation) ("**DPU Issue Date**") will be equal to the number that results from dividing (a) the dollar value of the portion of the Remuneration that the DPU Participant has elected to receive in DPUs by (b) the volume weighted average trading price of the Common Shares of the Corporation on the TSX for the last five trading days immediately preceding the DPU Issue Date.

Notwithstanding any of the above, the Compensation Committee has the authority to make any special grants of DPUs to any DPU Eligible Person, at any time and attaching any terms or conditions (including in relation to the vesting of such DPUs), as the Compensation Committee shall in its sole discretion deem appropriate.

Each vested DPU held by a DPU Participant who ceases to be a DPU Eligible Person shall be redeemed by the Corporation on the relevant Redemption Date for that DPU Participant, by way of a DPU Payment, less applicable withholding taxes. In respect of each vested DPU to be redeemed, the DPU Payment shall be a cash payment equal to the volume weighted average trading price of the Common Shares of the Corporation on the TSX for the last five trading days immediately preceding the applicable Separation Date.

The DPU Plan shall remain in effect until it is terminated by the Compensation Committee. Notwithstanding termination of the DPU Plan, the Corporation shall redeem all DPUs that are outstanding as at the date of termination, on the applicable Redemption Date for each of the remaining DPU Participants.

Except to the extent that the DPU Plan requires any action or decision to be taken or made by the Compensation Committee as a whole, the DPU Plan shall be administered by either the Board or if the Board so determines by resolution, a committee of the Board (the "**Committee**") comprised of not less than three members. The Committee shall have full discretionary authority to administer the DPU Plan, which shall include the authority to interpret and construe any provision of the DPU Plan and to adopt, amend and rescind such rules and regulations for administering the DPU Plan as the Committee may deem necessary to comply with the requirements of the DPU Plan. This is subject to the fact that certain amendments (including materially increasing the benefits under the DPU Plan) shall only be effective upon such amendment being approved by the Board and, if required, the TSX and any other applicable regulatory authority.

## Burn Rate

The annual burn rate for each of the Option Plan and the RSU Plan for the three most recently completed financial years, expressed as a percentage and calculated by dividing the number of awards granted during the financial year by the weighted average number of Common Shares outstanding for the financial year, is set forth in the following table:

Financial Year Ending 31 December	Burn Rate		Vesting conditions	
	Option Plan	RSU Plan	Option Plan <sup>2</sup>	RSU Plan <sup>1</sup>
2021	n/a	0.08%	No grant of RSUs	Granted 273,504 RSUs, out of which 136,752 RSUs vest on the following conditions regarding the Ilovica-Shtuka Project: (i) 13,675 RSUs on approval of the merger of two concessions; (ii) 13,675 RSUs on approval of the Environmental Impact Assessment Study; (iii) 82,052 RSUs on approval of the Exploitation Permit; (iv) 13,675 on approval of the Construction Permit; (v) 13,675 on approval of the Integral Local Ecological Permit
2020	1.90%	n/a	Total granted 6,421,670 share options that vest on the following conditions regarding the Ilovica-Shtuka Project: (i) 642,165 options on approval of the merger of two concessions; (ii) 642,165 options on approval of the Environmental Impact Assessment Study; (iii) 4,387,340 options on approval of the Exploitation Permit; (iv) 375,000 options on approval of the Construction Permit; and (v) 375,000 options on approval of the Integral Local Ecological Permit. 1,761,670 share options of these options are also conditioned if share purchase warrants <sup>3</sup> are exercised and loans and debenture from EBRD and CCM are converted into the Common Shares.	No grant of RSUs
2019	0.90%	0.20%	Total granted 2,825,000 share options, out of which 2,700,000 fully vested share options granted as replacement of existing 5,400,000, while remaining 125,000 share options granted as compensation to the Chairman of the Corporation vests over 3 years.	All 537,765 RSUs granted as replacement of 537,765 DPUs, and all exercised into 537,765 Common Shares

### Notes:

- As explained in the RSU Plan above, the Compensation Committee has agreed with RSU Eligible Person who has 1,702,651 RSUs to postpone the vesting of these RSUs to at least 31 December 2022. In return the Corporation agreed that in the event of the termination of the RSU Eligible Person's employment for any reason or death, prior to the postponed vesting date, the RSUs would be vested in full.
- Options granted pursuant to the Option Plan are not transferable or assignable, and the term of any options granted shall not exceed a term of five years
- All share purchase warrants that were outstanding at December 31, 2020, expired in the year ended December 31, 2021, and therefore 868,067 share options (out of these total 6,421,670 issued in 2020) that were conditioned with these expired share purchase warrants were cancelled.

## Risk Management

The Board reviews at least once annually the risks, if any, associated with the Corporation's compensation policies and practices. To date, the Board has not identified any risks that would be likely to have a material adverse effect on the Corporation.

## Hedging of Economic Risks in the Corporation's Securities

The Corporation has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation's securities granted as compensation or held, directly or indirectly, by directors or officers. The Corporation is not, however, aware of any directors or officers having entered into this type of transaction.

**Performance Graphs**



The Performance graph compares the yearly percentage change in the cumulative total shareholder return on the TSX for \$100 invested in Euromax’s Common Shares on 1 January 2017 against the cumulative total shareholder return of the GDXJ for five most recently completed financial years.

As illustrated above, the Corporation’s Common Shares underperformed in in previous five years, and therefore no compensation to executive officers were provided under this benchmark index from 1 January 2017. The GDXJ is considered by the Corporation to be the most relevant benchmark index to assess the Corporation’s share price performance.

### Summary Compensation Table

The following table provides a summary of the compensation paid to each of the Corporation's NEOs for each of the Corporation's three most recently completed financial years that ended on or after 31 December 2019.

Name and Principal Position	Year	Salary	Share-based Awards (1)	Option-based Awards (2)		Non-equity incentive plans (3)		Long-term incentive plans	Pension		All other compensation	Total compensation
				Awards (2)	Awards (2)	Annual incentive plans (3)	Contributions					
Tim Morgan-Wynne, Executive Chairman, appointed during 2020, previously served as Non-Executive Chairman	2021	\$209,972	\$26,179	\$786	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$236,937
	2020	\$130,385	\$55,615	\$19,340	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$205,340
	2019	\$74,982	\$25,962	\$4,073	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$105,017
Nicolas Treand, President & Executive Director, appointed as Executive Director in 2019, and as President in 2020	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$214,799 (4)	\$214,799
	2020	Nil	\$72,053	\$2,909	Nil	Nil	Nil	Nil	Nil	Nil	\$220,189 (4)	\$295,151
Patrick Forward, Chief Operating Officer until October 2021, and from October 2021 appointed as Director	2021	\$33,502	\$13,943	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$47,445
	2020	\$217,082	\$16,986	Nil	Nil	Nil	Nil	Nil	\$18,995	\$12,230 (5)	\$12,230	\$265,293
Nikola Gulev, Chief Financial Officer	2020	\$288,856	Nil	\$20,985	Nil	Nil	Nil	Nil	\$25,275	Nil	Nil	\$335,116
	2019	\$268,466	Nil	\$4,010	\$36,099	Nil	Nil	Nil	\$24,499	Nil	Nil	\$333,074
Chief Financial Officer	2021	\$120,492	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$120,492
	2020	\$125,190	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$125,190
	2019	\$122,069	Nil	Nil	Nil	\$6,019	Nil	Nil	Nil	Nil	Nil	\$128,088

#### Notes:

- Share based awards represent RSUs and DPUs. Such awards are calculated according to International Financial Reporting Standards and are valued using the Corporations' share price on day preceding grant date.
- Option based-awards are calculated according to International Financial Reporting Standards using the Black-Scholes option pricing model. The weighted average assumptions used for options granted in 2020, 2019, 2017 and 2016 were: (1) 0.48% discount rate for 2020, 1.62% discount rate for 2019, 1.78% for 2017 and 0.53% for 2016, (2) 60% annualized volatility applied for 2020 and 50% annualized volatility applied for all 2019, 2017 and 2016, (3) no dividends being paid during the term of the options (applied for all years), and (4) a five-year term (applied for all years). The Corporation believes that the Black-Scholes option pricing model adequately captures the substantive features of the option granted and is appropriate to calculate their fair value.
- These amounts represent cash bonuses.
- The amount represents payment to Mr. Treand for provision of the executive oversight of Macedonian operations, regarding the development of the Ilovica-Shtuka Project, paid through Coast Invest Ltd until May 31, 2021, and through ARQX Capital DWC Ltd from June 1, 2021.
- The amount represents payment to Mr. Forward for provision of the executive oversight of Macedonian operations, regarding the development of the Ilovica-Shtuka Project.

### Outstanding Option-Based and Share Based Awards

The following table sets out, for each NEO, information concerning all option-based and share-based awards outstanding as of 31 December 2021.

Option based awards					Share based awards		
NEO Name	Number of securities underlying unexercised options	Option exercise price	Option expiry date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or pay-out value of share awards that have not vested <sup>1</sup>	Market or pay-out value of vested share awards not paid out or distributed
Tim Morgan-Wynne	425,000	\$0.08	22 May 2024	Nil	Nil	Nil	Nil
	125,000	\$0.08	22 May 2024	Nil			
	1,500,000	\$0.03	10 November 2025	\$52,500			
Nicolas Treand	1,750,000	\$0.03	10 November 2025	\$61,250	Nil	Nil	Nil
	803,603	\$0.03	10 November 2025	\$28,126			
Patrick Forward	525,000	\$0.08	22 May 2024	Nil	1,702,651	\$110,672	Nil
	1,500,000	\$0.03	10 November 2025	\$52,500			
Nikola Gulev	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(<sup>1</sup>) based on the Corporations' share price at December 31, 2021

### Incentive Plan Awards - Value Vested or Earned During Year

The following table sets forth information concerning all awards outstanding under incentive plans of the Corporation that provide compensation, for the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the NEOs:

NEO Name	Option-Based Awards - Value Vested During The Year <sup>1</sup> (\$)	Share-Based Awards - Value Vested During The Year <sup>2</sup> (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Tim Morgan-Wynne	Nil	\$26,179	Nil
Nicolas Treand	Nil	Nil	Nil
Patrick Forward	Nil	\$16,986	Nil
Nikola Gulev	Nil	Nil	Nil

Notes:

1. Amounts shown are based on the difference between the market price of the Common Shares of the Corporation on the TSX at market close on the date of vesting of the options and the exercise price of in-the-money options. The options have not been and may never be exercised and the actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
2. Amounts shown represent grants of DPUs to non-management directors in 2021. The value of the DPUs are based on the volume weighted average trading price of the Common Shares of the Corporation on the TSX for the five trading days prior to grant. The DPUs were granted within 5 days of each calendar quarter end and vested immediately.

### Estimated payment to NEO on Termination and Change of Control Benefits

At 1 May 2018, the Corporation's UK subsidiary has employment contracts with Mr. Forward that provide for in case of termination without cause, a change of control of the Corporation or its subsidiaries, or a change in responsibilities of the NEO following a change in control. However, during 2021 Mr. Forward stepped down from his day to day duties as a Chief Operating Officer, and therefore Mr. Forward resigned from the Corporation's UK subsidiary. Accordingly, all obligations under his employment contract with the Corporation's UK subsidiary became obsolete, and no additional obligations were created from his resignation from the Corporation's UK subsidiary.

Following that Mr. Forward was appointed as a Director of the Corporation.

### Pension benefits

The Corporation does not have in place its own defined benefit or defined contribution pension plan. During 2021, the Corporation's UK subsidiary's employment contracts with Messrs. Morgan-Wynne and Forward (stepped down on 1 October 2021 as a Chief Operating Officer and resigned from the Corporation's UK subsidiary) provided for the Corporation to make pension contributions from 0% to 10% of their salary to their individual pension plans.

### Director Compensation

The following table provides a summary of the compensation earned in respect of the Corporation's financial year ended December 31, 2021 by the directors of the Corporation who are not NEOs.

Name	Fees earned	Share-based awards <sup>1</sup>	Option-based awards	Non-equity incentive plan compensation	Pension contributions	All other compensation	Total
Martyn Konig	Nil	\$68,955	Nil	Nil	Nil	Nil	\$68,955
James Burke	Nil	\$68,955	Nil	Nil	Nil	Nil	\$68,955
Ivan Vutov	Nil	\$68,955	Nil	Nil	Nil	Nil	\$68,955
Stanislav Delchev	Nil	\$68,955	Nil	Nil	Nil	Nil	\$68,955

Notes:

1. Amounts shown represent grants of DPUs to non-management directors in 2021. The value of the DPUs are based on the volume weighted average trading price of the Common Shares of the Corporation on the TSX for the five trading days prior to grant. The DPUs were granted within 5 days of each calendar quarter end and vested immediately.

Non-management directors of the Corporation are entitled to a quarterly retainer of £10,000, while the Chairman of the Corporation is entitled to a quarterly retainer of £15,000. Non-management directors are not paid additional fees for membership on Board committees, attendance fees or for acting as chair of a Board committee. All directors are reimbursed for transportation and other out-of-pocket expenses incurred for attending Board and committee meetings.

### Outstanding Share Based Awards and Option Based Awards - Non-Management Directors

The following table sets out, for each director who is not a NEO, information concerning option based and share-based awards as at December 31, 2021, the end of the Corporation's most recently completed financial year.

Option based awards				Share based awards			
Name	Number of securities underlying unexercised	Option exercise price	Option expiry date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or pay-out value of share awards that have not vested <sup>1</sup>	Market or pay-out value of vested share awards not paid out or
Martyn Konig	1,225,000	\$0.08	22 May 2024	Nil	Nil	Nil	Nil
James Burke	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ivan Vutov	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stanislav Delchev	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) based on the Corporations' share price at December 31 2021

### Incentive Plan Awards - Value Vested or Earned During Year - Non-Management Directors

The following table sets out, for each director who is not a NEO, the value vested or earned of incentive plan awards granted during the Corporation's most recently completed financial year.

NEO Name	Option-Based Awards - Value Vested During The Year <sup>1</sup> (\$)	Share-Based Awards - Value Vested During The Year <sup>2</sup> (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Martyn Konig	Nil	\$68,955	Nil
James Burke	Nil	\$68,955	Nil
Ivan Vutov	Nil	\$68,955	Nil
Stanislav Delchev	Nil	\$68,955	Nil

Notes:

1. Amounts shown are based on the difference between the market price of the Common Shares of the Corporation on the TSX at market close on the date of vesting of the options and the exercise price of in-the-money options. The options have not been and may never be exercised and the actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
2. Amounts shown represent grants of DPUs to non-management directors in 2021. The value of the DPUs are based on the volume weighted average trading price of the Common Shares of the Corporation on the TSX for the five trading days prior to grant. The DPUs were granted within 5 days of each calendar quarter end and vested immediately.

### Securities Authorized for Issuance under Equity Compensation Plans

The following table summarizes relevant information as of December 31, 2021 with respect to compensation plans under which equity securities are authorized for issuance. At that date the Corporation had 352,906,200 Common Shares issued and outstanding.

Plan Category	Number of Common Shares of the Corporation to be issued upon exercise of outstanding options warrants and rights	Weighted Average exercise price of outstanding options warrants and rights \$	Number of Common Shares of the Corporation remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders <sup>1</sup>	11,219,758	\$0.06	41,716,172
Equity compensation plans not approved by securityholders	Nil	N/A	Nil

Notes:

1. The Option Plan has previously been submitted to Shareholders for approval at the 2019 Annual General Meeting, and will be subject for approval by Shareholders on this Annual General Meeting. Unless the Option plan is not amended, it will be subject to approval by Shareholders every three years, pursuant to TSX Corporate Finance Manual.

The maximum aggregate number of Common Shares available for the grant of options under the Option Plan, the RSU Plan and any other security-based compensation arrangement of the Corporation, is that number which is equal to 15% of the number of issued and outstanding Common Shares of the Corporation, on a non-diluted basis, immediately prior to the grant of any particular option. As at the date of this Information Circular, the Corporation has a total of 353,421,200 Common Shares issued and outstanding, and has granted a total of:

- a) 8,728,603 outstanding options to purchase Common Shares of the Corporation, representing approximately 2.47% of the Corporation's issued and outstanding Common Shares; and
- b) 2,296,155 RSUs that convert into Common Shares of the Corporation when vested, representing approximately an additional 0.65% of the Corporation's issued and outstanding Common Shares.

The Corporation is therefore entitled to grant a further 41,988,422 options or RSUs in aggregate, but no more than 6,238,579 RSUs, under either the Option Plan or under the RSU Plan provided that at all times the Corporation is in compliance with the limits set out in the Option Plan.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board is responsible for the corporate governance of the Corporation. The Board guides and monitors the business and affairs of the Corporation on behalf of its Shareholders.

Under National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 – Corporate Governance Guidelines, the Corporation is required to disclose certain information relating to its corporate governance practices. A description of the Corporation's governance practices and policies with reference to the items set forth in NI 58-101 is set out below.

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Corporation.

### **Board of Directors**

The Board is currently comprised of seven members, four of whom are "independent", within the meaning of NI 58-101. Specifically, Messrs. Konig, Delchev, Burke, and Vutov are independent within the meaning of NI 58-101. Mr. Treand is the President and Executive Director of the Corporation, and Mr. Morgan-Wynne is the Executive Chairman of the Corporation, while Mr. Forward served as a Chief Operating Officer of the Corporation until October 2021, and therefore not considered to be independent.

The Board works with management to develop the Corporation's strategic direction. During 2012, following a change in management, the Corporation was re-focused as a copper exploration and development company and specific key strategic steps were identified.

To reflect good corporate governance, the Corporation maintains separate executive chairman and president positions. This allows the Board to be more effective in overseeing the Corporation's affairs and holding management accountable for its activities.

As executive chairman of the Board, Mr. Morgan-Wynne consults with the President in establishing the agenda for each meeting of the Board and developing the Board's priorities. Mr. Morgan-Wynne serves as the effective leader of the Board and ensures that the Board's agenda enables it to successfully carry out its duties in accordance with its Mandate (as defined below) and corporate governance guidelines and policies, and conducts its work efficiently and independently from management.

The executive chair sets the tone and culture of the Corporation by fostering ethical and responsible decision-making, appropriate oversight of management and best practices in corporate governance, as well as a spirit of respect, trust and collegiality among directors, and between the Board and management, where thoughtful, probative questions and thorough discussions are encouraged.

The executive chair is a liaison between the Board and the president, and providing advice, counsel and mentorship to the president and to individual directors, serve as a key interface between individual directors, and engages with shareholders, other stakeholders of the Corporation and the public where appropriate.

The Corporation has not adopted term limits for the directors on its Board. The Board is composed of directors elected by Shareholders at an annual general meeting of the Corporation, and directors appointed by the Board between annual general meetings in accordance with the Corporation's Articles and applicable law.

### **Roles and Responsibilities of the Board**

On 24 August 2015 the Corporation adopted a mandate of the Board (the "**Mandate**") to assist it in fulfilling its fiduciary duties and other responsibilities for the stewardship and supervision of the business and affairs of the Corporation with a view to preserving and enhancing the business and underlying value of the Corporation.

The Board's Mandate can be accessed through the Corporation's web site under "About us – Corporate Governance – Board of Directors" at [www.euromaxresources.com](http://www.euromaxresources.com).

### Meetings of the Board of Directors

The Board’s responsibility for managing the Corporation includes oversight of management and in that regard the independent directors provide an important function. According to the Corporation’s Mandate, the Board shall ensure that the independent directors meet regularly without executive directors and management present. During the year ended 31 December 2021, the Board held one in camera sessions of independent directors without the presence of management.

The Board meets a minimum of four times per year and as otherwise required. Typically, the Audit Committee meets at least four times per year, the Compensation Committee meets at least once a year and the Technical Committee meets once each quarter, unless the Technical Committee determines a shorter interval. Each committee may meet more frequently as deemed necessary by the applicable committee. The frequency of meetings and the nature of each meeting agenda depend on the business and affairs that the Corporation faces from time to time. The table below provides details on director attendance of Board and committee meetings held during the year ended 31 December 2021.

	Board of Directors	Audit Committee	Compensation Committee	Technical Committee	Totals	
	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Overall Attendance %
Tim Morgan-Wynne	9 out of 9	N/A	1 out of 1	N/A	10 out of 10	100%
Martyn Konig	8 out of 9	4 out of 4	1 out of 1	N/A	13 out of 14	93%
Patrick Forward <sup>1</sup>	1 out of 1	N/A	N/A	N/A	1 out of 1	100%
James Burke	9 out of 9	4 out of 4	1 out of 1	N/A	14 out of 14	100%
Nicolas Treand	9 out of 9	N/A	N/A	N/A	9 out of 9	100%
Ivan Vutov	3 out of 9	N/A	N/A	N/A	3 out of 9	33%
Stanislav Delchev	9 out of 9	4 out of 4	N/A	N/A	13 out of 13	100%

Notes:

1. Appointed to the Board on 1 October 2021

### Directorships

Mr. Konig, is also an executive chairman of Nyrstar NV, non-executive director of Chambers Waste Management Plc, and non-executive director of Chambers Runfold Plc. Mr. Burke is a Senior Manager, Mining Investments of Trafigura PTE Limited. Mr. Vutov is chairman of Board of Directors of Geotrading AD. Messrs. Morgan-Wynne, Forward, Treand and Delchev are not directors of any other reporting issuer.

### Position Descriptions

The Board has developed a written position description for the President and CEO of the Corporation. The President and CEO of the Corporation, in partnership with the Board, is responsible for the success of the Corporation; the accomplishment of its mission, and the accountability of the Corporation to its Shareholders and stakeholders. The Board delegates responsibility for management and day-to-day operations to the President and CEO and he has the authority to carry out these responsibilities, in accordance with the direction and policies established by the Board.

These responsibilities delegated to the President and CEO of the Corporation have been taken on by Messrs. Morgan-Wynne and Treand, whereby Mr. Morgan-Wynne has been appointed as Executive Chairman of the Board while Mr. Treand as President of the Corporation in addition to his executive role in charge of Macedonian affairs.

To date, the Board has not formalized position descriptions for the Chairman of the Board and the chair of each committee. However, certain responsibilities of the Chairman of the Board are delineated in the Mandate of the Board. Furthermore, the Chairman of the Audit Committee acts within the parameters set out in the Audit Committee Charter, attached as Appendix 1 to the Corporation’s Annual Information Form (the “AIF”). It is the Corporation’s intention to develop and approve clear position descriptions for these roles in the future.

### **Orientation and Continuing Education**

The Corporation does not provide a formal orientation or education program for new directors. However, new directors are provided with information about the nature and operation of the Corporation's business, current issues, corporate strategy and the role of the Board and its committees. The Board also encourages directors to participate in continuing education opportunities in order to ensure that directors may maintain or enhance their skills and abilities as directors and maintain a current and thorough understanding of the Corporation's business.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers, committee members and the Corporation as a whole. Any such changes or new requirements are brought to the attention of the Corporation's directors either by way of meetings or circulated in a memorandum.

### **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual directors by the governing corporate legislation and the common law and the restrictions placed by such legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and that directors act in the best interests of the Corporation.

The governing corporate legislation provides that a director is required to act honestly and in good faith with a view to the best interests of a corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material business transaction, whether made or proposed, or is a director or senior officer of, or has a material interest in, a person that has a material interest in such material contract or business transaction.

As part of its commitment to maintain the highest ethical standards, the Board has adopted a Code of Business Conduct and Ethics (the "**Code**") which applies to all our directors, officers and employees including permanent, contract, secondment and temporary agency employees who are on long term assignments with the Corporation, as well as to consultants and contractors to the Corporation. A copy of our Code may be accessed through the Corporation's web site under "About us – Corporate Governance" at [www.euromaxresources.com](http://www.euromaxresources.com). Each director, officer and employee of the Corporation are required to certify on an annual basis that he or she has read the Code and is in compliance with it. The Annual Certification Form is attached to the Code as Exhibit B. Exhibit A of the Code is the internal Whistleblower Policy that provides for a formal process for submitting reports concerning breaches of the Code and complaints regarding accounting, internal accounting controls, auditing matters or fraud, with the ability to submit such reports on an anonymous basis. The Board reviews and evaluates the Whistleblower Policy on an annual basis to determine whether it is effective.

Any waivers of compliance with the Code will only be given where appropriate. Any waivers for executive officers and directors must be approved, in advance, by the Board, and will be promptly disclosed as required by law or stock exchange regulation. The Board did not grant any waiver of the Code in 2021.

The Corporation has a separate Disclosure, Confidentiality and Insider Trading Policy which sets out the rules and guidelines that all employees, offices and directors must follow in order to comply with the laws on securities trading.

Another demonstration of the Corporation's commitment to conduct business honestly, ethically and in compliance with laws is the Corporation's Anti-Corruption and Bribery Policy regulating the Corporation's zero-tolerance approach to bribery and corruption and its' commitment to acting professionally, fairly and with integrity in all business dealings.

Certain of the directors of the Corporation Group are directors or officers of other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the directors of the Corporation, a director who has such a conflict will abstain from voting for or against the approval of such matter. Furthermore, in appropriate cases the Corporation will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

### **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the Executive Chairman. Members of the Board and representatives of the mining industry are consulted for possible candidates.

### **Women in Leadership**

Whilst the Board views diversity and inclusion as essential to the growth and success of the Corporation, no formal policy relating to the identification and nomination of women directors has yet been adopted, but the Board continues to consider it. The Corporation also does not set fixed percentages or quotas regarding women on the Board or in executive officer positions as such fixed quotas do not necessarily result in the identification and selection of the best candidates.

With respect to executive officer appointments, Euromax recruits, manages and promotes on the basis of an individual's competence, qualification, experience and performance, also with due regard for the benefits of diversity (including the level of representation of women in executive officer positions). In addition to the expertise and experience required, management considers the representation of women when making recommendations to the Board on executive officer appointments and the Board considers both the level of female representation and diversity as essential considerations in the selection process for executive officers. The Corporation currently has no female executive officers.

The Board considers our future business strategy, the core skills and experience required to carry out the strategy, gender balance and ability of each individual when identifying potential successors for advancement to more senior roles.

The Corporation currently has no women on the Corporation's Board. The Board remains receptive to increasing the representation of women on the Board, taking into account the skills, background, experiences and knowledge desired at that particular time by the Board and its committees.

### **Compensation Committee**

The Compensation Committee acts as a compensation committee in respect of executive compensation. The Compensation Committee is comprised of two independent directors, Messrs. Konig (Chair) and Burke, and one non-independent director Mr. Morgan-Wynne. Mr. Morgan-Wynne is not independent as he is the Executive Chairman of the Corporation.

The Compensation Committee makes its recommendations to the Board following its objective review of compensation having regard to the advice and recommendations of consultants where appropriate to ensure an independent and objective assessment of executive compensation. In addition, non-independent members are excused from the meeting when the Compensation Committee is discussing agenda items for which they are not independent.

The Compensation Committee is responsible for, among other things, evaluating the performance of the Corporation's management and directors in light of the Corporation's performance and making recommendations to the Board with respect to the compensation level for the Corporation's management and directors based on this evaluation. The Compensation Committee reviews compensation annually. Further information regarding the activities and recommendations of the Compensation Committee is provided above in the Compensation Discussion and Analysis.

### **Technical Committee**

The Technical Committee of the Board is currently comprised of Messrs. Morris (Chair), Forward and Trashliev.

The Technical Committee establishes project governance and reporting framework for the Ilovica-Shtuka Project. It also regularly assesses and reviews the progress of the project and makes recommendations on project matters for the Board's or management's consideration.



#### **Audit Committee**

The Audit Committee provides review and oversight of the Corporation's accounting and financial reporting process, and the audit process, including the selection, oversight and compensation of the Corporation's external auditor. Further information regarding the Audit Committee, in accordance with Form 52-110F1 is provided in section 10 of the AIF.

#### **Assessments**

The contributions and effectiveness of the Board and its committees are evaluated on an informal basis through discussions among Board members and communication between Board members and management.

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

No current or former director, executive officer or employee of the Corporation or any of its subsidiaries was indebted to the Corporation or any of its subsidiaries as at the date hereof or at any time during the most recently completed financial year of the Corporation. None of the proposed nominees for election as a director of the Corporation, or any associate of any director, executive officer or proposed nominee, was indebted to the Corporation or any of its subsidiaries as at the date hereof or at any time during the most recently completed financial year of the Corporation.

The Corporation has not provided any guarantees, support agreements, letters of credit or other similar arrangements or understandings for any indebtedness of any of the Corporation's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Corporation.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, other than as disclosed herein as it relates to the election of directors.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Since the commencement of the Corporation's most recently completed financial year, there were no transactions or proposed transactions that have materially affected or would materially affect the Corporation or any of its subsidiaries, in which (i) any informed person of the Corporation, (ii) any proposed director of the Corporation, or (iii) any associate or affiliate of any of the foregoing, has any material interest, direct or indirect.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative annual financial statements and MD&A for the Corporation's most recently completed financial year ended 31 December 2021, copies of which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of such documents are also available upon request from the Corporation's Chief Financial Officer at Partizanski Odredi Blvd. No. 42, 4, Skopje, the Republic of North Macedonia or via telephone number +389 2 3220 998.

Copies of the above documents will be provided free of charge to securityholders of the Corporation. The Corporation may require the payment of a reasonable charge by any person or company who is not a securityholder of the Corporation, and who requests a copy of such documents.

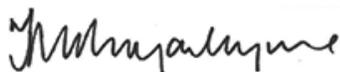
As at the date of this Information Circular, management of the Corporation is not aware of any other matters which may come before the Meeting other than as set forth in the Notice. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

#### **APPROVAL OF THIS INFORMATION CIRCULAR**

The contents and the sending of this Information Circular have been approved by the Board.

DATED this 16 May 2022

BY ORDER OF THE BOARD OF DIRECTORS



Tim Morgan-Wynne

Executive Chairman

**SCHEDULE "A"****EUROMAX RESOURCES LTD.****STOCK OPTION PLAN**

*(as amended, effective as of 19 May 2015)*

**1. NAME AND PURPOSE OF PLAN**

- 1.1. The purpose of this Stock Option Plan is to provide an incentive to officers, directors, employees and consultants for continuing beneficial service to the Corporation and its affiliates by encouraging and facilitating the acquisition and ownership of common shares of the Corporation. This Plan amends and restates the Stock Option Plan of May 17, 2005, as amended and restated as of May 27, 2010 and May 18, 2012, in its entirety.

**2. INTERPRETATION**

- 2.1. In this Plan, unless the context otherwise requires, the following terms shall have the meanings set out below:

"**Board**" means the Board of Directors of the Corporation;

"**Company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Corporation**" means Euromax Resources Ltd. and any successor or continuing Company resulting from the amalgamation of the Corporation and any other Company or resulting from any other form of corporate reorganization;

"**Eligible Person**" means a Person who is:

- a) a director, officer, bona fide full-time salaried employee or consultant of the Corporation or a Subsidiary, and who provides services to the Corporation;
- b) a trustee of a Person referred to in paragraph (a); or
- c) an issuer all of the voting securities of which are beneficially owned by one or more Persons referred to in paragraph (a);

"**Insider**" has the meaning ascribed to that term in the Securities Act (British Columbia);

"**Market Price**" means the price per Share computed on the basis of the closing market price for board lots of the Shares (which shall be deemed to be the average of the closing bid and ask prices of the Shares on any day on which the Shares are not traded) on the principal stock exchange on which the securities of the Corporation are listed for the most recent trading day preceding the date on which an Option is granted;

"**Option**" means any option granted under the Plan, and, subject to the consent of each holder thereof, all options to purchase Shares granted prior to the effective date of this Plan;

"**Optionee**" means an Eligible Person who has been granted an Option;

"**Option Price**" means the price at which Optioned Shares may be subscribed for pursuant to an Option, as determined under section 6;

"**Optioned Shares**" means the Shares subject to an Option or Options as the case may be;

"**Plan**" means the Stock Option Plan as embodied herein and as from time to time amended in accordance with the provisions hereof, and the guidelines, rules and regulations from time to time in effect hereunder;

"**Person**" means a Company or an individual;

"**Share Compensation Arrangement**" means any share option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;

"**Shares**" means common shares without par value in the capital of the Corporation, as constituted at the effective date of this Plan;

"**Subsidiary**" means any Company or corporation of which outstanding securities to which are attached more than 50% of the votes that may be cast to elect directors thereof are held (provided that such votes are sufficient to elect a majority of such directors), other than by way of security only, by or for the benefit of the Corporation and/or by or for the benefit of any other company or corporation in like relation to the Corporation, and includes any Company or corporation in like relation to a Subsidiary; and

"**Vested**" has the meaning ascribed to it in subsection 7.1.

- 2.2. This Plan shall be read with all changes in number and gender required by the context.
- 2.3. A reference to a section includes all subsections in that section.
- 2.4. Any question or interpretation of the Plan or any Option shall be determined by the Board and such determination shall be final and binding upon all Persons.

### **3. SHARES SUBJECT TO THE PLAN**

- 3.1. Subject to section 14, at any time, the maximum aggregate number of Shares that may be issuable pursuant to Options granted under the Plan, which Options are outstanding but unexercised and whether or not they are Vested, when combined with the number of Shares which may be issued under all of the Corporation's other Share Compensation Arrangements, shall be: (i) if the Corporation is subject to the requirements of the TSX Venture Exchange, a number equal to 10% of the number of issued and outstanding Shares on a non-diluted basis at that time; and (ii) if the Corporation is subject to the requirements of the Toronto Stock Exchange, a number equal to 15% of the number of issued and outstanding Shares on a non-diluted basis at that time. For the purposes of this subsection 3.1, the total number of "**issued and outstanding Shares**" is determined on the basis of the number of Shares that are issued and outstanding immediately prior to the Option issuance in question.
- 3.2. The maximum number of Shares which may be reserved for issuance to any one Person under the Plan shall be 5% of the issued Shares (on a non-diluted basis) less the aggregate number of Shares reserved for issuance to such Person under any other Share Compensation Arrangement of the Corporation in any 12 month period.
- 3.3. If the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so requires, the maximum number of Shares which may be reserved for issuance to any one Consultant (as defined in the TSX Venture Exchange Corporate Finance Manual) under the Plan shall be no more than 2% of the issued Shares (on a non-diluted basis) less the aggregate number of Shares reserved for issuance to such Person under any other Share Compensation Arrangement of the Corporation in any 12 month period.
- 3.4. If the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so requires, the maximum number of Shares which may be reserved for issuance to all Persons employed to provide Investor Relations Activities (as defined in the TSX Venture Exchange Corporate Finance Manual) under the Plan, together with any other stock option plan, options for service or stock purchase plan, shall be no more than 2% in aggregate of the issued Shares (on a non-diluted basis) in any 12 month period.

- 3.5. If the Corporation is subject to the requirements of the TSX Venture Exchange and unless, if required thereby or by applicable law, approval by the shareholders is obtained:
- a) the aggregate number of Shares which may be reserved for issuance at any time under Options granted to Insiders under the Plan together with any Share Compensation Arrangement may not exceed 10% of the issued Shares; and
  - b) the number of Options that may be granted to Insiders under the Plan together with any Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the issued Shares.

#### **4. GRANT OF OPTIONS AND ADMINISTRATION OF THE PLAN**

- 4.1. Persons eligible to receive grants of Options under the Plan shall be limited to Eligible Persons.
- 4.2. This Plan will be administered by the Board.
- 4.3. Subject only to the express provisions of the Plan, the Board shall have, and hereby is specifically granted, the sole authority:
- a) to grant Options to Eligible Persons and to determine the terms of, and the limitations, restrictions and conditions upon, such grants;
  - b) to authorize any officer to execute and deliver any Option agreement, notice or document and to do any other act as contemplated by the Plan for and on behalf of the Corporation;
  - c) to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to the Plan as it may from time to time deem advisable; and
  - d) to make all other determinations and perform all such other actions as the Board deems necessary or advisable to implement and administer the Plan.
- 4.4. The determinations of the Board under the Plan (including, without limitation, determinations of the Eligible Persons who are to receive grants of Options and the amount and timing of such grants), need not be uniform and may be made by it selectively among Eligible Persons who receive, or are eligible to receive, grants of Options under the Plan, whether or not such Eligible Persons are similarly situated as to office, length of service, salary or any other factor. The Board may, in its discretion, authorize the granting of additional Options to an Optionee before an existing Option has terminated.
- 4.5. All guidelines, rules, regulations, decisions and interpretations of the Board respecting the Plan or Options shall be binding and conclusive on the Corporation, on all Optionees and their respective legal personal representatives, and on all Eligible Persons.

#### **5. TERM OF OPTIONS**

- 5.1. Each Option shall be for the term determined by the Board, but in no case shall an Option be granted by the Board for a term of longer than five years from the date of the granting of the Option.
- 5.2. If the term of an Option held by an Optionee expires during a period when the Optionee is prohibited from trading in the Shares pursuant to securities regulatory requirements or to the disclosure policy of the Corporation (the "**Blackout Period**"), and on the trading day immediately preceding the expiry date of the Option, the closing price of a Share on the principal market on which the Shares are traded is greater than the exercise price of the Option, then the term of such Option or unexercised portion thereof shall be extended and shall expire ten (10) business days after the end of the Blackout Period.
- 5.3. For greater certainty, if at the time the Optionee ceases to be a director, officer, bona fide fulltime salaried employee or consultant of the Corporation or a Subsidiary due to early retirement, voluntary resignation or termination by the Corporation for any reason other than as specified in section 11 there is a Blackout Period, or if at any time during the relevant period set out in subsection 11.1, 11.2, 11.3, 11.4 or 11.5, there is a Blackout Period, then in calculating the time that the Option then held by the Optionee shall be exercisable to acquire any Optioned Shares that have Vested, the relevant period shall be in addition to any such Blackout Period.

5.4. For greater certainty, an Option that has not become Vested in respect of any unissued optioned Shares at the time that the relevant events referred to in section 11 occur shall not be or become exercisable in respect of such unissued Optioned Shares and shall be cancelled.

## 6. OPTION PRICE

6.1. The Option Price for any Option shall be determined from time to time by the Board, in compliance with all the rules and requirements respecting the pricing of options imposed by the principal stock exchange on which the securities of the Corporation are listed and provided that the Option Price for any Option:

- a) if the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so permits, shall not be less than the Discounted Market Price (as defined in the TSX Venture Exchange Corporate Finance Manual) on the date on which the Option is granted; and
- b) if the Corporation is not subject to the requirements of the TSX Venture Exchange, shall not be less than the Market Price on the date on which the option is granted.

## 7. EXERCISE OF OPTIONS

7.1. Unless otherwise determined by the Board, in its discretion, each Option shall be exercisable ("**Vested**") as follows:

- a) within six months after the date of grant of the Option, the Optionee may exercise his or her rights as to 33% of the Optioned Shares or any part thereof;
- b) within twelve months after the date of grant of the Option, the Optionee may exercise his or her rights as to an additional 33% of the Optioned Shares or any part thereof; and
- c) after eighteen months, the Optionee may exercise his or her right as to the remaining 34% of the Optioned Shares, and may also exercise his or her rights to all or any part of that number of Shares which he could have but did not purchase upon exercise of his or her Option in the 18 months following the grant of the Option.

7.2. An Option may be exercised by the Optionee or his or her personal legal representative at the applicable times and in the applicable amounts by giving to the Corporation at its principal executive office written notice of exercise specifying the number of Shares to be subscribed for.

7.3. Upon any such exercise of an Option, the Corporation shall forthwith cause the registrar and transfer agent of the Corporation to deliver to the Optionee or his or her personal representative (or as the Optionee or his or her personal representative may otherwise direct in the written notice of exercise) a certificate or certificates in the name of the Optionee or his or her personal representative (or as otherwise directed in the written notice of exercise) representing in the aggregate such number of Shares as the Optionee or his or her personal representative shall have then paid for.

7.4. All Shares subscribed for under an Option shall be paid for in full at the time of subscription.

7.5. Except as provided in sections 9, 11 and 12, no Option may be exercised in whole or in part at any time unless at the time of such exercise the Optionee is an Eligible Person.

7.6. If a bona fide offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Corporation generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Corporation, within the meaning of Subsection 1(1) of the Securities Act (British Columbia), the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the TSX Venture Exchange) all Optioned Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Optioned Shares received upon such exercise, pursuant to the Offer. However, if:

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

then the Optioned Shares received upon such exercise, or in the case of sub-paragraph (b) above, the Optioned Shares that are not taken up and paid for, may be returned by the Optionee to the Corporation and reinstated as authorized but unissued Shares and with respect to such returned Optioned Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Optioned Shares were to become Vested pursuant to paragraph 7.1 shall be reinstated. If any Optioned Shares are returned to the Corporation under this paragraph 7.6, the Corporation shall immediately refund the exercise price to the Optionee for such Optioned Shares.

- 7.7. If at any time when an Option granted under the Plan remains unexercised with respect to any unissued Optioned Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Optioned Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the expiry date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer, provided that any accelerated vesting of Options granted to consultants performing investor relations activities shall be subject to the prior written approval of the TSX Venture Exchange. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this paragraph, except that not less than 5 business days' and not more than 35 days' notice is required.
- 7.8. If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares of the Corporation pursuant to Division 6 of the Business Corporations Act (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in section 8.2 of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the take-over bid.

## **8. RELATED RIGHTS AND OTHER BENEFIT PLANS**

- 8.1. No Optionee shall have any of the rights of a shareholder of the Corporation with respect to any Optioned Shares until such Optioned Shares have been issued to him upon exercise of the Option and full payment therefor has been made by him to the Corporation.
- 8.2. Participation in the Plan shall not affect an Eligible Person's eligibility to participate in any other benefit or incentive plan of the Corporation or its Subsidiaries, provided however, that the grant of any Option pursuant to this Plan shall not obligate the Corporation to make any benefit available to an Eligible Person under any other plan of the Corporation unless otherwise specifically provided for in such plan.
- 8.3. Nothing contained in this Plan will prevent the Corporation or any Subsidiary from adopting other or additional compensation arrangements for the benefit of any Eligible Person, subject to any required shareholder or regulatory approval.

## **9. NONTRANSFERABILITY OF OPTIONS**

- 9.1. No Option shall be assignable or transferable by the Optionee and any purported assignment or transfer of an Option shall be void and shall render the Option void, provided that in the event of death of the Optionee, an Optionee's legal personal representative may exercise the Option in accordance with section 11.

## **10. NO FRACTIONAL SHARES**

- 10.1. Under no circumstances shall the Corporation be obliged to issue any fractional Shares upon the exercise of an Option. To the extent that an Optionee would otherwise have been entitled to receive, on the exercise or partial exercise of an Option, a fraction of a Share in any year, the Option shall be cancelled with respect to such fraction.

**11. EFFECT OF DEATH OF AN OPTIONEE, RESIGNATION BY OR RETIREMENT OF AN EMPLOYEE OR OFFICER, RESIGNATION OR REMOVAL AS A DIRECTOR**

- 11.1. If the Optionee should die while he or she is director, officer, employee or consultant of the Corporation or a Subsidiary, the Option may then be exercised by his or her legal personal representative, to the same extent as if the Optionee was alive and a director, officer, employee or consultant of the Corporation or a Subsidiary, on or before the earlier of a period of twelve months after the Optionee's death or the expiry date of the Option but only for such shares as the Optionee was entitled to at the date of his or her death.
- 11.2. If the Optionee is an employee or officer of the Corporation, in the event of termination of employment by reason of the retirement or resignation of the Optionee at any time during the term of the Option, the rights to purchase Shares under the Option which may be exercisable at the date of termination of employment and which remain unexercised at, or which become exercisable subsequent to, that date shall remain exercisable by the Optionee for a period of 90 days beyond that date or such longer period as the Board of Directors may determine in accordance with the terms of the Option, provided that the rights under the Option shall not be exercisable beyond the expiration of the term of the Option.
- 11.3. If the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so requires, if the Optionee is a consultant or Management Corporation Employee (as defined in the TSX Venture Exchange Corporate Finance Manual) of the Corporation, in the event of termination of employment by reason of the retirement or resignation of the Optionee at any time during the term of the Option, the rights to purchase Shares under the Option which may be exercisable at the date of termination of employment and which remain unexercised at, or which become exercisable subsequent to, that date shall remain exercisable by the Optionee for a period of 90 days beyond that date or such longer period as the Board of Directors may determine in accordance with the terms of the Option, provided that the rights under the Option shall not be exercisable beyond the expiration of the term of the Option.
- 11.4. If the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so requires, if the Optionee is engaged in Investor Relations Activities (as defined in the TSX Venture Exchange Corporate Finance Manual) of the Corporation, in the event of termination of employment by reason of the retirement or resignation of the Optionee at any time during the term of the Option, the rights to purchase Shares under the Option which may be exercisable at the date of termination of employment and which remain unexercised at, or which become exercisable subsequent to, that date shall remain exercisable by the Optionee for a period of 30 days beyond that date or such longer period as the Board of Directors may determine in accordance with the terms of the Option, provided that the rights under the Option shall not be exercisable beyond the expiration of the term of the Option.
- 11.5. If the Optionee is a director of the Corporation, in the event the Optionee's term of appointment or election as a director (where he is not reappointed or re-elected) ends, or the date upon which the removal or resignation of the Optionee as a director occurs, at any time during the term of the Option, the rights to purchase Shares under the Option which may be exercisable at that time and which remain unexercised at, or which become exercisable subsequent to, that date shall remain exercisable by the Optionee for a period of 90 days beyond that or such longer period as the Board of Directors may determine date in accordance with the terms of the Option, provided that the rights under the Option shall not be exercisable beyond the expiration of the term of the Option.

**12. TERMINATION OF EMPLOYMENT OF OPTIONEE**

- 12.1. In the event of the termination of employment of the Optionee for any reason other than as specified in section 11, the rights to subscribe for Shares under the Option which may be exercisable at the date of termination of employment and which remain unexercised at that date shall immediately terminate unless the Board of Directors determines to grant such optionee a period of time to exercise then unexercised (but vested) Options, provided that in no event shall such period extend beyond the expiration of the term of the Option.
- 12.2. Nothing contained in this Plan or the Option shall confer on the Optionee any right to, or guarantee of, continued employment by the Corporation or any Subsidiary or in any way limit the right of the Corporation or a Subsidiary to terminate the employment of the Optionee at any time.

**13. SHARES RELEASED FROM OPTIONS**

- 13.1. Any Shares released from an Option by the provisions of sections 11 or 12, and any options that have been cancelled or have expired without being exercised, may be made the subject of a further Option or Options to the Optionee or to other Eligible Persons.

**14. CHANGE IN CAPITALIZATION OR NUMBER OF OUTSTANDING SHARES**

- 14.1. If, and whenever, prior to the issuance by the Corporation of all the Optioned Shares under an Option, the Shares are from time to time consolidated into a lesser number of Shares or subdivided into a greater number of Shares, the number of Optioned Shares remaining unissued under the Option shall be decreased or increased proportionately, as the case may be, and the subscription price to be paid by the Optionee for each such Share shall be adjusted accordingly.
- 14.2. If the Corporation enters into, and is continued or survives as a result of, any amalgamation or merger with one or more other companies or corporations whether by way of arrangement, by the sale of its assets and undertaking or otherwise, then and in each such case, each Option shall extend to and cover the number, class and kind of shares or other obligations to which the Optionee would have been entitled had the Option been fully exercised immediately prior to the date such amalgamation or merger becomes effective (whether or not such Option would otherwise then have been fully exercisable) and the then prevailing subscription price of the shares or other obligations so covered shall be correspondingly adjusted if and to the extent that the Board considers it to be equitable and appropriate.
- 14.3. Except as expressly provided in this section 14, the grant of any Option shall not in any way limit or affect the rights or powers of the Board, the Corporation or its shareholders to make any changes or deal in any manner with the authorized, issued or unissued shares or any other securities of the Corporation and no such change or dealing shall give any right or entitlement to the holder of any Option in respect or as a result thereof.

**15. AMENDMENT AND TERMINATION OF PLAN**

- 15.1. The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Shares in respect of Options which have not yet been granted hereunder. Without limiting the generality of the foregoing, the Board is specifically authorized to amend the terms of the Plan or any Option without obtaining shareholder approval in the following circumstances, subject to any limitations that may be prescribed by applicable law, from time to time and subject to section 15.3 and section 15.4:
- a) amendments of a “housekeeping” nature including, but not limited to, of a clerical, grammatical or typographical nature; or
  - b) to correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
  - c) a change to the vesting provisions of any Option or the Plan;
  - d) amendments to reflect any changes in requirements of any regulator or stock exchange to which the Corporation is subject;
  - e) amendments to obtain or maintain favourable tax or exchange control treatment of the Corporation, any Subsidiary or any present or future Optionee;
  - f) a change to the termination provisions of an Option which does not result in an extension beyond the original term of the Option;
  - g) in the case of an Option, the substitutions and/or adjustments contemplated under section 0 of this Plan; and
  - h) a change to the class of Eligible Persons that may participate under the Plan.

Any amendment to any provision of the Plan will be subject to any necessary approvals under the rules of the principal stock exchange on which the Shares are listed and, if required by applicable law, shareholder approval.

- 15.2. If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board shall remain able to make such amendments to the Plan or the Options as they would have been entitled to make if the Plan were still in effect.
- 15.3. Subject to any necessary approvals under the rules of the principal stock exchange on which the Shares are listed and, if required by applicable law, shareholder approval, the Board may amend or modify in any manner, including cancellation, an outstanding Option to the extent that the Board would have had the authority to initially grant such award as so modified or amended, including without limitation, to change the date or dates as of which an Option vests, except that no amendment will, without the written consent of all affected Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in applicable law or the Corporation's status or classification thereon.
- 15.4. Notwithstanding any provision to the contrary contained herein, shareholder approval is required for:
- a) an extension of the term of any Option benefiting an Insider;
  - b) a reduction in the exercise price of any Option issued to an Insider;
  - c) any amendment to remove or to exceed the insider participation limit as set out in section 3.5;
  - d) any amendment to section 3.1 to increase to the maximum number of Shares which may be reserved for issuance under the Plan; and
  - e) amendments to sections 15.1, and 15.3 and this section 15.4.

## **16. GENERAL REQUIREMENTS**

- 16.1. Each grant of an Option under the Plan shall be subject to the requirement that if at any time the Board shall determine that any agreement, undertaking or other action or co-operation on the part of an Optionee, including in respect to a disposition of the Shares, is necessary or desirable as a condition of, or in connection with (a) the listing, registration or qualification of the Shares subject to the Plan upon any stock exchange or under the laws of any applicable jurisdiction, or (b) obtaining a consent or approval of any governmental or other regulatory body, the exercise of such Option and the issue of Shares thereunder may be deferred in whole or in part by the Board until such time as the agreement, undertaking or other action or co-operation shall have been obtained in a form and on terms acceptable to the Board.
- 16.2. The exercise of the Option by the Optionee under the Plan is subject to the approvals of:
- a) any stock exchanges on which the securities of the Corporation are listed, if such approval is required by those exchanges;
  - b) any other regulatory authority having jurisdiction; and
  - c) the shareholders of the Corporation, if such approval is required by any stock exchange on which the securities of the Corporation are listed.
- 16.3. If the Corporation is subject to the requirements of the TSX Venture Exchange and such exchange so requires, if an Optionee is an insider of the Corporation at the time of any proposed reduction in the Option Price, the proposed reduction in the Option Price is subject to the receipt of prior disinterested shareholder approval.

## **17. RIGHT TO OPTIONS**

- 17.1. Nothing contained herein or in any resolution previously or hereafter adopted by the Board shall vest the right in any Person whomsoever to receive any Option. No Person shall acquire any of the rights of any Optionee unless and until a written Option agreement shall have been duly executed on behalf of the Corporation and delivered to the Optionee and executed and delivered by the Optionee to the Corporation. Any agreement purporting to be an Option shall, to the extent it may be contrary to the express provisions of the Plan, be unenforceable by the Optionee against the Corporation.

**18. WITHHOLDING**

- 18.1. Whenever the Corporation proposes or is required to issue or transfer Shares pursuant to an Option, the Corporation shall have the right to withhold from salary payments or to require the recipient of such Shares to remit to the Corporation an amount sufficient to satisfy any federal, provincial, state and/or local withholding tax requirements prior to the delivery of any certificate or certificates for the Shares. Whenever under the Plan payments are to be made in cash, such payments shall be net of an amount sufficient to satisfy any federal, provincial, state and/or local withholding tax requirements.

**19. DURATION OF THE PLAN**

- 19.1. Subject to the provisions of section 15, the Plan shall remain in effect until all grants of Options under the Plan have been terminated pursuant to the provisions of the Plan or satisfied by the issuance of Shares or the payment of cash.

