

IM Exploration Inc.
181 Bay Street
Brookfield Place, Suite 4400
Toronto, ON M5J 2T3

MANAGEMENT PROXY CIRCULAR
as at August 19, 2020 *except as otherwise indicated*

This Management Proxy Circular (“Circular”) is furnished in connection with the solicitation of proxies by the management of IM Exploration Inc. (the “Corporation”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held on September 25, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to the “Corporation”, “we” and “our” refer to **IM Exploration Inc.** “**Common Shares**” means common shares without par value in the capital of the Corporation. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. “**Registered Shareholders**” means shareholders who hold Common Shares registered in their own name. “**Shareholders**” means all shareholders who hold Common Shares.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors and officers of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**” or “**form of proxy**”) are officers and directors of the Corporation. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Corporation's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to Computershare Trust Company of Canada, Proxy Department, 135 West Beaver Creek, P.O. Box 300, Richmond Hill, Ontario L4B 4R5 or hand deliver proxies to the Computershare Toronto location (8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1); or
- (b) use a touch-tone phone to transmit voting choices to the toll free number given in the proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) via Computershare's internet website www.investorvote.com. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In each of the above cases Registered Shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment thereof.

Beneficial Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of intermediaries. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing process and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("**OBOs**") object to their name being made known to the issuers of securities which they own; and Non-Objecting Beneficial Owners ("**NOBOs**") who do not object to the issuers of the securities they own knowing who they are.

Pursuant to National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") the Corporation distributes copies of the Notice of Meeting, this Circular and the Proxy (collectively, the "**Meeting materials**") to the depository and intermediaries for onward distribution to Beneficial Shareholders. The Corporation does not send Meeting materials directly to Beneficial Shareholders. Intermediaries are required to forward the Meeting materials to all Beneficial

Shareholders for whom they hold Common Shares unless such Beneficial Shareholders have waived the right to receive them.

These securityholder materials are being sent to both registered and non-registered (beneficial) owners of Common Shares. If you are a Beneficial Shareholder, and the Corporation or its agent sent these materials to you directly, your name, address and information about your holdings of securities were obtained in accordance with applicable securities regulatory requirements by the intermediary holding securities on your behalf. Management of the Corporation does not intend to pay for intermediaries to forward the Meeting materials to OBOs, so OBOs will not receive the Meeting materials unless their intermediary assumes the cost of delivery.

If you are a Beneficial Shareholder:

If you are a Beneficial Shareholder you should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The proxy form supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and in the United States. Broadridge mails a Voting Instruction Form (“**VIF**”) in lieu of the proxy provided by the Corporation. The VIF will name the same persons as are named on the Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), who is different from any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, insert the name of the desired representative, which may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge’s instructions. Broadridge will then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any Shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting to vote your Common Shares.**

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the Registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare, or at the address of the registered office of the Corporation at 181 Bay Street, Brookfield Place, Suite 4400, Toronto, ON M5J 2T3 at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the Registered Shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Stock Option Plan and RSU Plan (as defined herein).

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Corporation has fixed August 19, 2020 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares; which Common Shares are listed for trading on the Canadian Securities Exchange (the “**CSE**”). As of August 19, 2020 there were 10,400,000 Common Shares issued and outstanding, each carrying the right to one vote. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

Going Public Transaction

On May 29, 2019, the Corporation completed a public offering of Common Shares by way of prospectus offering (the “**Prospectus Offering**”). Following closing of the Prospectus Offering, the Corporation listed its Common Shares for trading on the Canadian Securities Exchange (the “**CSE**”). The Common Shares began trading on the CSE under the symbol “IM” on May 30, 2019.

No Principal Holders of Voting Securities

To the knowledge of the directors and executive officers of the Corporation, no persons or corporations beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares as at August 19, 2020.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the fiscal year ended March 31, 2020, with the report of the auditor thereon, and the related management discussion and analysis will be tabled at the Meeting and will be available at the Meeting. These documents are also available on the Corporation’s SEDAR website at www.sedar.com. Additional information relating to these documents may be obtained by the Shareholder upon request without charge by contacting the Corporation’s Chief Executive Officer c/o McMillan LLP, 181 Bay Street, Brookfield Place, Suite 4400, Toronto, ON M5J 2T3.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. A special majority, being at least two-thirds of the votes cast, is required to pass the special resolutions to approve the change of name and the consolidation of Common Shares, as further described below under the section “Particulars of Matters to be Acted Upon”.

If there are more nominees for election as directors or appointment of the Corporation’s auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or

appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The articles of incorporation of the Corporation (the “**Articles**”) provided that the number of directors of the Corporation will be a minimum of 1 and a maximum of 10. The term of office of each of the three current directors will end at the conclusion of the Meeting. Unless the director’s office is vacated earlier in accordance with the provisions of the *Canada Business Corporations Act* (“the **Act**”), each director elected will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected. The Shareholders will be asked at the Meeting to approve a resolution to determine that the number of directors to be elected at the Meeting be three.

The following table sets out the names of management’s three nominees for election as director, all major offices and positions with the Corporation and any of its significant affiliates each now holds, each nominee’s principal occupation, business or employment (for the last five years for each director nominee), the period of time during which each has been a director of the Corporation and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, at August 19, 2020.

Name of Nominee; Current Position with the Corporation and Province and Country of Residence	Period as a Director of the Corporation	Principal Occupations in Past Five Years¹	Common Shares Beneficially Owned or Controlled¹
Joel Freudman⁵ President, CEO and Director Toronto, ON Canada	Since January 25, 2018	President of Resurgent Capital Corp. (capital markets), 2016 - present; Legal Counsel at Industrial Alliance Insurance and Financial Services Inc., 2015 - 2017	1,000,000 ²
Yaron Conforti⁵ Director Toronto, ON Canada	Since April 19, 2017	Principal of Emmcap Corp. (venture capital), 2010 – present	1,000,000 ³
Johnathan Dewdney⁵ Director Toronto, ON Canada	Since June 30, 2018	Corporate advisory professional, 2014 – present	500,000 ⁴

Notes:

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
2. These Common Shares are beneficially owned by Resurgent Capital Corp., a corporation whose investment decisions are controlled by Joel Freudman. Mr. Freudman also personally holds options to purchase an additional 200,000 Common Shares at \$0.10 each, expiring May 29, 2024.
3. These Common Shares are held by Emmcap Corp., a corporation owned and controlled by Yaron Conforti. Mr. Conforti also personally holds options to purchase an additional 200,000 Common Shares at \$0.10 each, expiring May 29, 2024.
4. These Common Shares are held by 2411763 Ontario Incorporated, a company owned and controlled by Johnathan Dewdney. Mr. Dewdney also personally holds options to purchase an additional 200,000 Common Shares at \$0.10 each, expiring May 29, 2024.
5. Member of Audit Committee. Mr. Conforti is the Chair.

None of the nominees for election as a director of the Corporation are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Corporation acting solely in such capacity.

Penalties, Sanctions, Cease Trade Orders, Bankruptcies Etc.

No proposed director is, as at the date of this Circular, or has been, within ten (10) years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation, in respect of which this Circular is being prepared) that:

- a. was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- b. was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- c. while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- d. has, within the ten (10) years before the date of this 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.

Unless otherwise directed, the persons named in the enclosed Proxy intend to vote FOR the election of the nominees named herein as directors of the Corporation until the close of the next annual general meeting.

APPOINTMENT OF AUDITOR

At the Meeting the Board will nominate Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants (“DMCL”), for appointment as auditor of the Corporation for the ensuing year or until their successors are sooner appointed. DMCL was first appointed as auditor of the Corporation effective January 25, 2018.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DMCL as auditor of the Corporation until the close of the next annual general meeting or until their successors are sooner appointed.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

The provisions of National Instrument 52-110 – *Audit Committees* (“NI 52-110”) requires the Corporation, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

The Audit Committee’s Charter

The audit committee has a charter, a copy of which was attached as Schedule “A” to the Corporation’s information circular dated August 9, 2019 and filed on SEDAR on August 21, 2019.

Composition of the Audit Committee

Pursuant to Section 6.1.1(3) of NI 52-110, a majority of the audit committee must not be executive officers, employees or control persons of the Corporation. Members of the audit committee are Yaron Conforti (Chair), Johnathan Dewdney and Joel Freudman. Mr. Conforti and Mr. Dewdney are not executive officers, employees or control persons of the Corporation, while Mr. Freudman is the President and CEO of the Corporation. All audit committee members are considered to be financially literate.

An audit committee member is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

Each member of the Corporation's audit committee has adequate education and experience relevant to their performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See further information for each audit committee member below.

Joel Freudman – President, CEO and Director

Mr. Freudman holds a B.Comm. from the University of Toronto and a J.D. from Western University. He is also Founder and President of Resurgent Capital Corp. (2016 to present), a private capital markets business, and a director and officer of several publicly-traded and private companies. Previously, he was Legal Counsel at Industrial Alliance Insurance and Financial Services Inc. (2015 to 2017); Counsel at Royal Bank of Canada (2014 to 2015); and a Securities/M&A Associate at Peterson McVicar LLP (then Peterson & Company LLP) (2012 to 2014), a law firm focused on publicly-traded junior mining issuers.

Yaron Conforti – Director

Mr. Conforti is the principal of Emmcap Corp., a private company engaged in principal investments and advisory services for venture-stage companies. Mr. Conforti specializes in capital raising, M&A and business development for private and public companies. He previously served in senior roles at Canadian investment banks and in CEO, CFO and corporate director roles for publicly traded companies in various sectors.

Johnathan Dewdney – Director

Mr. Dewdney is a corporate advisory professional who has held senior management positions at several public and private companies, and who provides merger and acquisition, restructuring and general corporate advice and strategies to public and private companies. He is currently a Director of DC Acquisition Corp. (TSXV: DCA.P), a Capital Pool Company listed on the TSXV. Prior to that Mr. Dewdney acted in a variety

of capacities for public companies including acting as the CEO of Greenock Resources, a TSXV-listed company that completed a reverse takeover with BeWhere Holdings in February 2016.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than DMCL.

Reliance on Certain Exemptions

At no time has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation is a “venture issuer” as defined in NI 52-110 and is relying on the exemptions in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

Pre-Approval Policies and Procedures

See the Audit Committee Charter filed on the Corporation’s SEDAR profile for specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audit services provided by DMCL to the Corporation to ensure auditor independence. Fees incurred with DMCL for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended March 31, 2020	Fees Paid to Auditor in Year Ended March 31, 2019
Audit Fees ⁽¹⁾	\$8,500	\$7,500
Audit-Related Fees ⁽²⁾	\$nil	\$5,000
Tax Fees ⁽³⁾	\$700	Nil
All Other Fees ⁽⁴⁾	\$nil	Nil
Total	\$9,200	\$12,500

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Corporation’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the opinion of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its exercise of independent judgment in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to the Corporation’s activities and to provide relevant information concerning the mineral exploration industry in order to identify and manage risks. The Board is responsible for monitoring the Corporation’s senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent member of the Board is Johnathan Dewdney. The non-independent directors are Joel Freudman (President, CEO and Promoter) and Yaron Conforti (Promoter).

Directorships

The current directors are directors of other reporting issuers as follows:

Name of Director	Name of Reporting Issuer	Exchange
Joel Freudman	Trius Investments Inc.	TSX-V
	Holly Street Capital Ltd.	TSX-V
Yaron Conforti	The Hash Corporation	N/A
Johnathan Dewdney	DC Acquisition Corp.	TSX-V

Orientation and Continuing Education

New directors participate in an informal orientation program regarding the role of the Board, the Audit Committee, and its directors, and the nature and operations of the Corporation’s business. Members of the Board are encouraged to communicate with management of the Corporation, external legal counsel and auditors, and other external consultants to educate themselves about the Corporation’s business, the mineral exploration industry, and applicable legal and regulatory developments.

Ethical Business Conduct

The Corporation has not adopted formal guidelines to encourage and promote a culture of ethical business conduct, but does so by nominating board members it considers ethical, by avoiding or minimizing conflicts of interest and by having at least one independent director. It is not anticipated that the Board will adopt formal guidelines in the 12 months following the date of this Circular.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to Shareholders for election at the annual meeting of Shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain breadth of experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this practice may be reviewed.

Board Diversity

The Board does not have a nominating committee. The current size and composition of the Board allows the entire Board to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences, and ability to devote the required time.

The Corporation has not adopted term limits for its directors or other mechanisms of Board renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board; however, it values

continuity on the Board and the in-depth knowledge of the Corporation held by those members who have a long-standing relationship with the Corporation.

The Corporation does not currently have a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities, being the “Designated Groups,” as defined under the *Employment Equity Act* (Canada) as directors. Historically, the Corporation has not felt that such a policy was needed; however it may consider adopting such a policy in the future.

When the Board selects candidates for executive or senior management positions or for director positions, it considers not only the qualifications, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation’s management or Board, as the case may be to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity at the executive and senior management levels and on the Board, and therefore the level of representation of women, Aboriginal peoples, persons with disabilities and members of visible minorities is one factor taken into consideration during the search process for executive and senior management positions or for directors.

The Corporation has not adopted a “target” number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board or in executive or senior management positions. The Corporation considers candidates based on their qualifications, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

There are at present no women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board or as executive officers of the Corporation.

Compensation

Other than one-time cash bonuses awarded at the time of the Prospectus Offering, non-executive directors of the Corporation were not paid fees for the year ending March 31, 2020. Directors of the Corporation will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board, committees of the Board or meetings of the Shareholders. The Corporation has not obtained directors’ and officers’ liability insurance or indemnification agreements for the benefit of its directors.

Other Board Committees

The Corporation does not have any committees of the Board other than the Audit Committee. When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independent oversight.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and its committees.

No formal policy has been established to monitor the effectiveness of the directors, the Board and its committees. However, the Corporation believes that its corporate governance practices are appropriate and effective given the Corporation’s developmental stage.

Disclosure, Confidentiality and Insider Trading Policy

The Board has adopted a disclosure policy (the “**Policy**”) for the purpose of ensuring that:

- (a) the Corporation complies with its timely disclosure obligations as required under applicable Canadian securities laws, including the Securities Act (Ontario);

- (b) the Corporation prevents the selective disclosure of material changes to investors, analysts, market professionals and others;
- (c) documents released publicly by the Corporation or public oral statements made by an authorized spokesperson of the Corporation that relate to the business and affairs of the Corporation do not contain a misrepresentation;
- (d) all persons to whom the Policy applies understand their obligations to preserve the confidentiality of undisclosed material information; and
- (e) all appropriate parties who have undisclosed material information are prohibited from trading in securities of the Corporation and/or tipping on such undisclosed material information under applicable laws, CSE rules and the Policy.

All of the Corporation's executives and directors are subject to the Policy, which prohibits trading in the Corporation's securities while in possession of material undisclosed information about the Corporation.

STATEMENT OF EXECUTIVE COMPENSATION

The following information is provided as required under *Statement of Executive Compensation – Venture Issuer*, Form 51-102F6V (the “F6V”), as such form is defined in National Instrument 51-102 (“NI 51-102”) and relates to the Corporation's year ended March 31, 2020 and the period from incorporation to March 31, 2019.

References in the F6V to “**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, all share compensation units granted or issued by the Corporation for services provided or to be provided, directly or indirectly, to the Corporation.

All currency references in this section are expressed in Canadian dollars unless otherwise specified.

Named Executive Officer

In this section “Named Executive Officer” (“NEO”) means any individual who, during the Corporation's most recently completed financial year ended March 31, 2020 was:

- (a) the chief executive officer (“CEO”) (or an individual who acted in a similar capacity) of the Corporation;
- (b) the chief financial officer (“CFO”) (or an individual who acted in a similar capacity) of the Corporation;
- (c) each of the three other most highly compensated executive officers of the Corporation or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed C\$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer nor a director of the Corporation, nor acting in a similar capacity, at the end of the Corporation's fiscal years ended March 31, 2020 and 2019.

For the purposes of this section, the following are the NEOs: Joel Freudman, President, CEO and Director, Robert Harrison, Chief Financial Officer and Secretary; and Victor Hugo, Former Chief Financial Officer and Secretary.

During the years ended March 31, 2020 and March 31, 2019, the following persons were directors of the Corporation who were not also NEOs: Yaron Conforti and Johnathan Dewdney.

Director and NEO compensation, excluding compensation securities

The following table sets forth all annual and long term compensation for services paid to or earned by each of the NEOs and directors during the Corporation's years ended March 31, 2020 and March 31, 2019.

Table of compensation excluding compensation securities							
Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Joel Freudman ¹ President, CEO and Director	2020	Nil	10,500	Nil	Nil	Nil	10,500
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Robert Harrison ² Chief Financial Officer and Corporate Secretary	2020	3,201	Nil	Nil	Nil	Nil	3,201
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Victor Hugo ³ Former Chief Financial Officer and Secretary	2020	Nil	Nil	Nil	Nil	14,926	14,926
	2019	Nil	Nil	Nil	Nil	28,531	28,531
Yaron Conforti ⁴ Director	2020	Nil	7,500	Nil	Nil	Nil	7,500
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Johnathan Dewdney ⁵ Director	2020	Nil	2,500	Nil	Nil	Nil	2,500
	2019	Nil	Nil	Nil	Nil	7,500 ⁶	7,500 ⁶

Notes:

1. Mr. Freudman was appointed to these positions on January 25, 2018.
2. Mr. Harrison was appointed to these positions on October 1, 2019.
3. Mr. Hugo was appointed to these positions on January 25, 2018 and resigned on September 30, 2019. For the year ended March 31, 2020, the Corporation expensed \$14,926, (year ended March 31, 2019- \$28,531,) to MSSSI (as defined herein) for bookkeeping services. Mr. Hugo was an employee of MSSSI.
4. Mr. Conforti has served as a director since incorporation on April 19, 2017.
5. Mr. Dewdney was appointed to the Board on June 30, 2018.
6. For the year ended March 31, 2019 the Corporation expensed \$7,500 to a corporation controlled by the director, for strategic advisory services provided to the Corporation.

Stock Options and Other Compensation Securities

Summary of Stock Option Plan

The Corporation has an incentive-based compensation plan, being the rolling stock option plan which was adopted by the Board on November 26, 2018 and amended on July 15, 2019 (the “**Stock Option Plan**” or the “**Plan**”). The Stock Option Plan is designed to promote the long-term success of the Corporation by strengthening the ability of the Corporation to attract and retain highly competent employees and by promoting greater alignment of interests between executives and shareholders in the creation of long-term shareholder value. A copy of the Stock Option Plan is available under the Corporation's profile at www.sedar.com.

On July 15, 2019 the Corporation amended its Stock Option Plan to continue to be fully compliant with the CSE policy on hold periods. The below definition of the Stock Option Plan was amended as follows:

“(ee) Regulatory Rules” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities or of the Exchange;”

The Corporation also amended the Stock Option Plan to contain updated U.S. option holder disclosure and other amendments of an administrative nature that do not affect the rights of the Corporation’s securityholders.

The purpose of granting incentive stock options (“**Options**” or “**options**”) is to assist the Corporation in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the shareholders.

On May 29, 2019, upon closing of its Prospectus Offering, the Corporation granted an aggregate of 725,000 Options to certain directors, officers and a consultant of the Corporation with an exercise price of \$0.10 per Common Share for a period of 5 years. 25,000 of these Options have since been forfeited.

On July 2, 2019, the Corporation granted 100,000 Options to a consultant of the Corporation with an exercise price of \$0.10 per Common Share for a period of 5 years.

On October 1, 2019, the Corporation granted 50,000 Options to Robert Harrison, the newly appointed Chief Financial Officer and Secretary of the Corporation. The Options have an exercise price of \$0.09 per Common Share for a period of 5 years.

The Board has the authority either to grant Options or to delegate to any Board committee the ability to grant Options to the Corporation’s directors, management, employees and consultants. Options can be granted, from time to time at the sole discretion of the Board or such committee, to persons eligible to receive Options under the Stock Option Plan. Option exercise prices are set in accordance with CSE policies.

In determining the number of Options to be granted to the executive officers, the Board considers a number of factors including the amount and term of Options previously granted, base salary and annual performance incentives awarded to the executives and commensurate with those offered by other companies in the mineral exploration industry; and the exercise price of any outstanding options to ensure that such grants are in accordance with CSE policies. Options vest on terms established by the Board at the time of grant.

The Stock Option Plan is a rolling plan. Under the Plan, options totalling a maximum of 10% of the Common Shares outstanding from time to time are available for grant.

As at August 19, 2020 there were 10,400,000 Common Shares issued and outstanding. Accordingly, under the Stock Option Plan the Corporation has the authority to grant options to purchase up to a total of 1,040,000 Common Shares. At the date of this Circular, options to purchase an aggregate of 850,000 Common Shares are granted and outstanding under the Stock Option Plan, representing 8.17% of the outstanding Common Shares.

Restricted Share Unit Plan

Effective on August 18, 2020, the Corporation adopted a 10% rolling restricted share unit plan (the “**RSU Plan**”).

The RSU Plan is a “rolling plan” and therefore when RSUs are cancelled (whether or not upon payment with respect to vested RSUs) or terminated, Common Shares shall automatically be available for issuance pursuant to the RSU Plan.

Nature and Administration of the RSU Plan

All Directors, Officers, Consultants and Employees (as defined in the RSU Plan) of the Corporation and its related entities (“**Eligible Persons**”) are eligible to participate in the RSU Plan (as “**Participants**”), and the Corporation reserves the right to restrict eligibility or otherwise limit the number of persons eligible for participation as Participants in the RSU Plan. Eligibility to participate as a Participant in the RSU Plan does not confer upon any person a right to receive an award of RSUs.

Subject to certain restrictions, the Board or its appointed committee (the “**Board**”), can, from time to time, award RSUs to Eligible Persons. RSUs will be credited to an account (an “**Account**”) maintained for each Participant on the books of the Corporation as of the award date. The number of RSUs to be credited to each Participant’s account shall be determined at the discretion of the Board and pursuant to the terms of the RSU Plan.

RSUs and all other rights, benefits or interests in the RSU Plan are not transferable or assignable otherwise than by will or the laws of descent and distribution, and shall be exercisable during the lifetime of the Participant only by the Participant and after death only by the Participant’s legal representative.

Resignation, Termination, Leave of Absence or Death

Generally, if a Participant's employment or service is terminated, or if the Participant resigns from employment with the Corporation, then any RSUs granted to the Participant under the RSU Plan which have not yet vested or been deemed to be vested, on or before the last date on which the Participant is actively with the Corporation (the “**Separation Date**”) for the Participant are forfeited and cancelled effective on the Separation Date and shall terminate without payment and shall be of no further force or effect from and after the Separation Date.

The Participant may, but only within the next 30 days following the Separation Date, deliver notice to the Corporation (a “**Notice of Acquisition**”) to acquire Common Shares for previously vested RSUs (if any) and following such 30 day period, any vested RSUs in respect of which the Participant has not delivered a completed Notice of Acquisition to the Corporation shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on such 30th day and shall terminate without payment and shall be of no further force or effect from and after such time

In the event a Participant’s death, the Participant’s unvested RSUs shall vest automatically as of such date and shall be forfeited and cancelled on the first anniversary of the death of the Participant. In the event the termination of the Participant’s services by reason of voluntary resignation, only the Participant’s unvested RSUs shall terminate automatically as of such date.

Control Change

In the event of a Control Change (as such term is defined in the RSU Plan), the Board may, in its discretion, without the necessity or requirement for the agreement or consent of any Participant: (i) take such steps as the Board considers desirable, taking into account any tax consequences to the extent considered relevant by the Board, to cause the conversion or exchange of any outstanding RSUs into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Board in its discretion, in any entity participating in or resulting from a Control Change, (ii) accelerate the vesting of any or all outstanding RSUs to provide that, such outstanding RSUs shall be fully vested upon (or immediately prior to) the completion of the transaction resulting in the Control Change, and (iii) determine that a Participant who is no longer an Eligible Person as a result of or in anticipation of a Control Change shall continue to be a Participant and Eligible Person for purposes of the RSU Plan, but subject to such terms and conditions, if any, established by the Board in its sole discretion.

Adjustments

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger,

spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders, the Board may choose to adjust the Account of each Participant and the RSUs outstanding under the RSU Plan in such manner, if any, as the Board may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Board) to preserve the Account of each Participant and the RSUs outstanding under the RSU Plan shall be adjusted in such manner, if any, as the Board may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the RSU Plan.

Vesting and RSU Term

Each award of RSUs vests on the date(s) specified by the Board on the date of award (the "**Award Date**"), and reflected in the applicable RSU agreement certificate. The term of the RSUs shall be determined by the Board on the Award Date and shall not exceed ten years from the Award Date. Once vested, each RSU will become exercisable into one common share, redeemable at the discretion of the Participant.

Acquisition of Vested RSUs

A Participant who wishes to acquire a Common Share for any vested RSU may do so by delivering (a) a completed Notice of Acquisition to the Corporation on or before the expiry date of the RSUs and (b) a certified cheque or bank draft payable to the Corporation for any applicable withholding taxes as may be required under the RSU Plan, following which the Corporation will issue, within ten days following receipt of the Notice of Acquisition, and subject to such applicable residual withholding, if any, as the Corporation determines in its discretion should then be imposed to meet related withholding or remittance obligations under applicable law, one Common Share for each RSU in the Participant's Account that the Participant has included on the Notice of Acquisition.

Limitations under the RSU Plan

The maximum number of Common Shares made available for issuance pursuant to the RSU Plan shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time, and in combination with the aggregate number of Common Shares which may be issuable under any and all of the Corporation's equity incentive plans in existence from time to time, including the Corporation's Stock Option Plan, shall not exceed 20% of the issued and outstanding Common Shares.

The number of Common Shares which may be issuable under this Plan within any one-year period:

- (a) to any one Eligible Person, shall not exceed 5% of the total number of issued and outstanding Common Shares on the Award Date on a non-diluted basis; and
- (b) to Insiders as a group within a 12 month period shall not exceed 5% of the total number of issued and outstanding Common Shares on the Award Date on a non-diluted basis.

As at August 19, 2020 there were 10,400,000 Common Shares issued and outstanding. Accordingly, under the RSU Plan the Corporation has the authority to grant options to purchase up to a total of 1,040,000 Common Shares. At the date of this Circular, no RSUs had been granted under the RSU Plan.

A copy of the RSU Plan is attached hereto as Schedule "A" and can be found on the Corporation's SEDAR profile at www.sedar.com.

Stock Option Grants

During the Corporation's year ended March 31, 2020, the Corporation granted the following options to NEOs and directors of the Corporation who were not also NEOs.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Joel Freudman President, CEO and Director	Options	200,000 23.5%	May 29, 2019	\$0.10	\$0.10	\$0.04	May 29, 2024
Robert Harrison Chief Financial Officer and Corporate Secretary	Options	50,000 5.9%	October 1, 2019	\$0.09	\$0.09	\$0.04	October 1, 2024
Victor Hugo⁽¹⁾ Former Chief Financial Officer and Secretary	Options	25,000 2.9%	May 29, 2019	\$0.10	\$0.10	\$0.04	May 29, 2024
Yaron Conforti Director	Options	200,000 23.5%	May 29, 2019	\$0.10	\$0.10	\$0.04	May 29, 2024
Johnathan Dewdney Director	Options	200,000 23.5%	May 29, 2019	\$0.10	\$0.10	\$0.04	May 29, 2024

Notes:

- The 25,000 options granted to Victor Hugo, former CFO and Secretary, expired on December 29, 2019 in accordance with the terms of the Plan.

During the Corporation's year ended March 31, 2019 there were no Options granted.

Exercise of Compensation Securities by NEOs and Directors

During the Corporation's years ended March 31, 2020 and March 31, 2019 no Options were exercised.

Employment, consulting and management agreements

Victor Hugo provided CFO services to the Corporation through an external management company, Marrelli Support Services Inc. ("MSSI"), which was engaged by the Corporation to provide these services and of which Mr. Hugo is an employee. Pursuant to the management agreement, the Corporation paid MSSI \$1,500 per month in consulting fees for the provision of CFO services by Mr. Hugo on behalf of MSSI. The management agreement was terminated effective September 30, 2019, concurrent with Mr. Hugo's resignation as CFO and Secretary.

Other than as set out immediately above, and under "Director and NEO compensation, excluding compensation securities", the Corporation has no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Corporation that were performed by a director or NEO.

Oversight and description of director and NEO compensation

Due to the Corporation's early stage of development and limited financial resources, its directors and NEOs do not receive any cash compensation for their services, except as described above under "Director and NEO compensation, excluding compensation securities" and under "Employment, consulting and management agreements". The Corporation's only equity compensation mechanism is its Stock Option Plan as described above under "Summary of Stock Option Plan".

Actions after the Corporation's March 31, 2020 Financial Year End

Nothing material to report.

Pension Disclosure

The Corporation does not have any deferred compensation plan or pension plan in place that provides for payments or benefits at, following or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See disclosure under "Stock Options and Other Compensation Securities" under "Statement of Executive Compensation" above for disclosure on the Corporation's equity compensation regime.

The following table sets out equity compensation plan information as at the end of the financial year ended March 31, 2020, when there was 10,400,000 Common Shares outstanding. Accordingly, there was an aggregate maximum of 1,040,000 Common Shares available for exercise of Options pursuant to the Stock Option Plan. Currently, as of the date hereof, there are 10,400,000 Common Shares outstanding. Accordingly, there are an aggregate maximum of 1,040,000 Common Shares available for exercise of Options pursuant to the Stock Option Plan and 1,040,000 Common Shares available for issuance under the RSU Plan. Currently, 850,000 Options are outstanding, leaving a total of 190,000 available for grant, and no RSUs are outstanding.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans to be approved by securityholders - (the Stock Option Plan)	850,000	N/A	190,000
Equity compensation plans not approved by securityholders	N/A	N/A	Nil
Total	850,000	N/A	190,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation or have any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation, as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Corporation, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation during the year ended March 31, 2020, or has any interest in any material transaction in the current year or as of the date hereof.

MANAGEMENT CONTRACTS

Except as disclosed above under “Employment, consulting and management agreements” with respect to MSSI, there are no management functions of the Corporation, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Items of Business

1. Financial Statements – see page 4 above;
2. Election of Directors – see pages 5-6 above;
3. Appointment of Auditor – see page 6 above;
4. Continuation of the Stock Option Plan – see page 18 below;
5. Name Change – see page 20 below;
6. Share Consolidation – see page 21 below; and
7. Approval of the Restricted Share Unit Plan – see page 24 below.

Continuation of the Stock Option Plan

Under the Stock Option Plan, an aggregate of 10% of the issued and outstanding Common Shares at the time an option is granted, less any outstanding options, are available for issuance to eligible optionees.

Material Terms of the Plan

As the Corporation is now listed on the CSE, pursuant to CSE policies covering option grants, namely CSE Policy 6, the Corporation must:

- (a) not grant options with an exercise price lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the options; and (b) the date of grant of the options;
- (b) comply with the provisions of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”), under which the Corporation is deemed to be an “unlisted issuer” for the purposes of Division 4 of NI 45-106;
- (c) post notice of option grants or amendments in CSE Form 11 immediately following each grant of options by the Corporation;
- (d) upon first grant of options under the Plan, provide the CSE with an opinion of counsel that all the securities issuable under the Plan will be duly issued and be outstanding as fully paid and non-assessable shares;

- (e) abide by the requirement that terms of an option granted under the Plan may not be amended once issued. If an option is cancelled prior to its expiry date, the Corporation must post notice of the cancellation and shall not grant new options to the same person until 30 days have elapsed from cancellation of the previous options.

The following is a summary of the material terms of the Plan.

Eligible Optionees

To be eligible to receive a grant of options under the Plan an optionee must be an executive, or an employee, or a consultant of the Corporation providing services to the Corporation or a subsidiary at the time the option is granted.

Restrictions

The Plan is subject to the following restrictions, with capitalized terms as defined in the Plan:

- (a) The maximum number of Options granted to any one Option Holder within any 12 month period shall be 5% of the outstanding Common Shares issued, unless the Corporation has obtained disinterested shareholder approval if required under regulations, to do so;
- (b) If required under regulations to do so, the Corporation must obtain disinterested shareholder approval, in order to grant to Insiders under the Plan within a 12 month period, a number of Options which, when added to the number of outstanding Options granted to Insiders within the previous 12 months, will exceed 10% of the issued Common Shares;
- (c) The maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the issued Common Shares;
- (d) The maximum number of Options that may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the issued Common Shares, and such Options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period.

Administration and Terms of the Plan

- (a) The Plan is administered by the Board or its appointed committee.
- (b) The expiry date of an Option shall be no later than the tenth anniversary of the date of grant of the Option.
- (c) Grant and expiry dates, the exercise price, the vesting schedule and the number of Common Shares which may be purchased pursuant to an Option shall be fixed by the Board or its committee appointed to grant options.
- (d) The Corporation may implement such procedures and conditions as the Board or its committee deems appropriate with respect to withholding and remitting taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.
- (e) All options granted under the Plan expire on a date not later than 10 years after the issuance of such options. However, should the expiry date for an option fall within a trading Black-Out (as defined in the Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), options may not be exercised during a Black-Out unless the Board or its appointed committee determines otherwise.
- (f) An Option granted to any Option Holder will continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days (or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Corporation is guaranteed either by statute or by contract.) If the period of such leave exceeds 90 days and the

Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the 91st day of such leave.

- (g) An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder, who may exercise an Option in whole or in part at any time and from time to time following vesting and up to the expiry of the Option by delivering the required notice and payment pursuant to the terms of the Plan. Options may not be exercised during a Black-Out unless the Board or its appointed committee determines otherwise.
- (h) The Board reserves the right, subject to regulatory requirements, in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Common Shares in respect of options which have not yet been granted under the Plan. Where any amendment relates to an existing Option, if the amendment would:
- materially decrease the rights or benefits accruing to an Option Holder; or
 - materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by the Plan, the Board or committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the exercise price of an Option is reduced the Option Holder is an Insider of the Corporation, the Insider must not exercise the option at the reduced exercise price until the reduction in exercise price has been approved by the disinterested shareholders of the Corporation, if such disinterested shareholder approval is required by the CSE.

- (i) A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

A copy of the Plan is available under the Corporation's SEDAR profile at www.sedar.com.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm and approve the continuation of the Plan, with or without variation, as follows:

“**RESOLVED** as an ordinary resolution, that:

- (a) the continuation of the Stock Option Plan dated for reference November 26, 2018 as amended on July 15, 2019 (the “**Plan**”) be ratified, confirmed and approved;
- (b) the number of Common Shares reserved for issuance under the Plan shall not exceed 10% of the Corporation's issued and outstanding share capital at the time any stock option is granted; and
- (c) any one or more of the directors or officers of the Corporation be authorized to perform all such acts, deeds and things and execute all such documents and make all such filings with the CSE that may be required to give effect to this resolution.”

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the continuation of the Stock Option Plan.

Name Change

The Board wishes to be in a position during the ensuing year, if considered to be in the best interest of the Corporation, to change the Corporation's name to a name which shall be determined by the management and the Board at a future date. Pursuant to the Act and the By-Laws of the Corporation, a change of name requires shareholder approval by special resolution. Accordingly, at the Meeting, the Shareholders will be

asked to consider and, if deemed advisable, pass a special resolution (the “**Name Change Resolution**”) authorizing the Corporation to file articles of amendment under the Act to change the name of the Corporation from “IM Exploration Inc.” to such name as the Board deems appropriate and as may be approved by the regulatory authorities.

Although approval for the change of name of the Corporation is being sought at the Meeting, such a name change would become effective at a date in the future to be determined by the Board when the Board considers it to be in the best interests of the Corporation to implement such a change of name. The Board may determine not to implement the Name Change Resolution at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to the issuance of a certificate of amendment, without further action on the part of the Shareholders.

The text of the Name Change Resolution reserves to the Board the power to revoke the Name Change Resolution after it has been approved by the Shareholders. The Board might exercise this power if it is deemed to be in the best interests of the Corporation.

This Name Change Resolution requires the affirmative vote of not less than two-thirds (2/3) of the votes cast by the holders of Common Shares who vote in person or by proxy at the Meeting.

Shareholders will be asked to pass the following special resolution:

“Now therefore be it RESOLVED as a special resolution that:

1. the Corporation is authorized to file articles of amendment pursuant to section 173(1)(a) of the Act to change the name of the Corporation from “IM Exploration Inc.” to such other name that the Board deems appropriate and as may be approved by the regulatory authorities (including the CSE), to become effective at a date in the future to be determined by the Board when the Board considers it to be in the best interests of the Corporation to implement such a name change;
2. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares, the directors of the Corporation may in their sole discretion revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the holders of the Common Shares; and
3. Any director or officer of the Corporation is authorized and directed to sign all documents and to do all things necessary or desirable to effect such amendment including the delivery of articles of amendment in prescribed form to the Director under the Canada Business Corporations Act.”

The directors of the Corporation believe the approval of a potential name change is in the Corporation’s best interests and recommends that the Shareholders approve the name change. It is intended that all proxies received will be voted in favour of the Name Change Resolution, unless a proxy contains instructions to vote against such resolution. The Board recommends that the Shareholders vote FOR the Name Change Resolution.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Name Change Resolution.

Share Consolidation

Management has determined that, in its opinion, a consolidation of its share capital may be valuable in order to provide for further equity financing to meet its current working capital requirements and to attract new equity investment in the Corporation. The Board wishes to be in a position during the ensuing year, if considered to be in the best interest of the Corporation, to effect a consolidation of its Common Shares.

Pursuant to the Act and the By-Laws of the Corporation, a share consolidation requires shareholder approval by special resolution. Accordingly, at the Meeting, the Shareholders will be asked to consider and, if deemed advisable, pass a special resolution (the “**Share Consolidation Resolution**”) to approve the

consolidation of the Common Shares on the basis of up to ten (10) pre-consolidation Common Shares without par value for one (1) post-consolidated Common Share without par value (the “**Consolidation**”). For clarity, any reference in this section (or the Circular) to Common Shares is a reference to common shares of the Corporation on a pre-consolidation basis, and any reference to common shares is a reference to common shares of the Corporation on a post-consolidated basis.

As of August 19, 2020, there were 10,400,000 Common Shares issued and outstanding in the share capital of the Corporation.

Upon the Consolidation becoming effective, if completed based on the maximum proposed ratio of ten (10) into one (1), there will be approximately 1,040,000 common shares in the capital of the Corporation issued and outstanding. Any fractional common shares arising upon the Consolidation will be converted into one whole common share. Even if approved by the Shareholders, the Board may decide not to proceed with the Consolidation.

Effect of Consolidation

The proposed Consolidation would not change any Shareholder’s proportionate share of the total votes entitled to vote at meetings of Shareholders; however, if the special resolution is passed and the Consolidation is effected, the total number of votes that a Shareholder may cast at any future shareholder meeting of the Corporation will be reduced.

Shares issuable under the Corporation’s outstanding options would be proportionately adjusted upon the Consolidation with any fractional options to acquire Common Shares rounded down to the nearest whole number.

Effect on Common Share Certificates

If the Consolidation is approved and subsequently implemented, the Corporation will issue a press release announcing its implementation. At that time, Registered Shareholders will be required to surrender their share certificates representing (pre-consolidation) Common Shares in exchange for new certificates representing (post-consolidated) common shares of the Corporation. To facilitate that exchange, a letter of transmittal will be sent to Registered Shareholders. Following the return of a properly completed and executed letter of transmittal, together with the original share certificate for the (pre-consolidation) Common Shares, the certificates for the appropriate number of (post-consolidated) common shares will be issued. Shareholders who do not hold their Common Shares in their own name, such as Shareholders holding Common Shares in a brokerage account, will not need to submit a letter of transmittal. Such Shareholders should contact their broker or agent if they have any questions concerning the Consolidation.

Risks Associated with the Consolidation

If the Consolidation is approved and subsequently implemented, there can be no assurance that any increase in the market price per Common Share resulting from the Consolidation will be sustainable or that it will equal or exceed the direct arithmetical result of the Consolidation since there are numerous factors and contingencies which could affect such price, including the status of the market for the Common Shares at the time, the Corporation’s reported results or operations in future periods, and general economic, geopolitical, stock market and industry conditions.

Accordingly, the total market capitalization of the Common Shares after the Consolidation may be lower than the total market capitalization before the Consolidation and, in the future, the market price of the Common Shares may not exceed or remain higher than the market price prior to the Consolidation. While the Board believes that a higher price for the Common Shares may help the Corporation attain the objectives set out above, there can be no assurance that the Consolidation will result in a per share market price that will attract additional investors or that such price will satisfy the investing guidelines of such investors. As a result, the Corporation’s investor base may not necessarily increase, the perceived value and profile of

the Common Shares may not increase and the price of the Common Shares may not be aligned with those of the Corporation's peers.

If the Consolidation is implemented and the market price of the Common Shares declines, the percentage decline may be greater than would occur in the absence of the Consolidation. The market price of the Common Shares will, however, also be based on the Corporation's performance and other factors, which are unrelated to the number of Common Shares outstanding. Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Consolidation.

Share Consolidation Resolution

In accordance with the provisions of the Act, a security consolidation requires special resolution approval by the Shareholders at the Meeting. In order to pass, the following resolution must be approved by not less than two-thirds of the votes cast by Shareholders who vote in person or by proxy at the Meeting.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution in the following form, subject to such amendments, variations or additions as may be approved at the Meeting.

“Resolved, as a special resolution, that:

1. subject to the Corporation receiving all regulatory approvals, the consolidation of each of the issued and outstanding common shares of the Corporation by exchanging up to every ten (10) pre-consolidation common shares of the Corporation into one (1) post-consolidated common share, except that no fractional shares will be issued and any fractional shares will be rounded down to the nearest whole number, be and the same is hereby approved;
2. the final consolidation ratio and the determination of when and if to effect any such consolidation being at the discretion of the directors of the Corporation to determine from time to time;
3. the board of directors of the Corporation is hereby authorized, at any time in its absolute discretion, to determine whether or not to proceed with the above consolidation ratio without further approval, ratification or confirmation by the shareholders;
4. the shareholders hereby authorize whatever adjustments may be made to their shareholdings in order to avoid the issuance of fractional shares incidental to the consolidation of the Common Shares referred to above; and
5. any one director or officer of the Corporation be, and is hereby, authorized, empowered and instructed, acting for, in the name and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.”

The requisite regulatory approvals for the Consolidation will not be sought by the Corporation until after the Board decides to implement the Share Consolidation Resolution.

The Share Consolidation Resolution provides that, notwithstanding the passing of the resolution, the directors of the Corporation are authorized and empowered without further notice or approval of the Shareholders to not proceed with the Consolidation.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Share Consolidation Resolution.

Approval of Restricted Share Unit Plan

The Board adopted a restricted share unit plan (the “**RSU Plan**”) on August 18, 2020; the adoption is subject to the approval of relevant disinterested shareholders at the Meeting. The Board determined that it is desirable to have a wide range of incentive plans including the RSU Plan in place to attract, retain and motivate employees, directors and consultants of the Corporation.

Please refer to the section entitled - *Stock Options and Other Compensation Securities – Restricted Share Unit Plan* for further details.

At the Meeting, relevant disinterested shareholders will be asked to vote on the following ordinary resolution:

BE IT RESOLVED THAT:

1. The Corporation’s Restricted Share Unit Plan, as described and included in the Management Proxy Circular, pursuant to which the directors may, from time to time, authorize the issuance of up to 10% of the Corporation’s common shares, from time to time, to directors, officers, employees, and consultants of the Corporation in accordance with the Restricted Share Unit Plan, is hereby authorized, ratified, approved and confirmed, subject to final regulatory approval; and
2. Any one or more of the directors or officers of the Corporation is authorized and directed to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to the resolution.

The Board unanimously recommends shareholders vote FOR the adoption of the RSU Plan.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the RSU Plan.

ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Corporation for the year ended March 31, 2020 and in the related management discussion and analysis (together, the “**Financial Statements**”). Copies of the Financial Statements are available on www.sedar.com and will be available at the Meeting.

Additional information relating to the Corporation is available as filed on www.sedar.com and upon request from the Corporation’s Chief Executive Officer c/o McMillan LLP, 181 Bay Street, Brookfield Place, Suite 4400, Toronto, ON M5J 2T3. Copies of documents will be provided free of charge to security holders of the Corporation. The Corporation may require the payment of a reasonable charge from any person or company who is not a security holder of the Corporation, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Circular.

The contents of this Circular and its distribution to Shareholders have been approved by the Board.

APPROVED by the Board at Toronto, Ontario, this 19th day of August, 2020.

BY ORDER OF THE BOARD

(signed) Joel Freudman

Joel Freudman
President and Chief Executive Officer

SCHEDULE "A"
IM EXPLORATION INC.
RESTRICTED SHARE UNIT PLAN

August 18, 2020

ARTICLE 1
PURPOSE

Purpose

- 1.1 The purpose of this Restricted Share Unit Plan is to provide certain Directors, Employees and Consultants of the Corporation and its Related Entities with the opportunity to acquire Restricted Share Units of the Corporation in order to enable them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation's shareholders.

ARTICLE 2
INTERPRETATION

Definitions

- 2.1 For purposes of the Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:
- (a) **"Account"** means an account maintained for each Participant on the books of the Corporation that will be credited with RSUs in accordance with the terms of the Plan;
 - (b) **"Applicable Withholding Amounts"** is defined in Section 4.7(c);
 - (c) **"Approved Leave of Absence"** means a leave of absence from full time employment with the Corporation or affiliate thereof that is provided for in the policies, plans or regulations of the Corporation or its affiliates or that is approved by management of the Corporation, including, without limitation, maternity and parental leave in accordance with the Corporation's (or its affiliates') policies or plans related to Short-Term Disability or Long-Term Disability;
 - (d) **"Award"** means a grant of RSUs under the Plan;
 - (e) **"Award Date"** means a date on which RSUs are awarded to a Participant in accordance with Section 4.1;

- (f) **“Award Notice”** means a notice substantially in the form of Schedule A and containing such other terms and conditions relating to an award of RSUs as the Committee may prescribe;
- (g) **“Blackout Period”** means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an RSU;
- (h) **“Board”** means the board of directors of the Corporation;
- (i) **“Business Day”** means any day other than a Saturday or Sunday on which the Exchange is open for trading;
- (j) **“Cause”** means “Just Cause” as defined in the Participant’s employment agreement with the Corporation or one of its Related Entities, or if such term is not defined or if the Participant has not entered into an employment agreement with the Corporation or one of its Related Entities, then as such term is defined by applicable law, and shall include, without limitation, the occurrence of one of the following events with respect to the Employee: (i) has materially breached any written agreement between the Participant and the Corporation; (ii) is convicted of a criminal offence relating to duties of the Participant, including any for breach of trust or fraud; (iii) has refused to comply with a lawful order or direction of the Corporation or the Board; (iv) has engaged in negligence or incompetence in carrying out the duties and responsibilities of his or her position in a diligent, professional and efficient manner; or (v) has been involved in any other act, omission, or misconduct which constitutes just cause at common law;
- (k) **“Committee”** means the Human Resources and Compensation Committee of the Board or such other committee of the Board as may be appointed by the Board to administer the Plan; provided, however, that if no Human Resources and Compensation Committee is in existence at any particular time and the Board has not appointed another committee of the Board to administer the Plan, all references in the Plan to “Committee” shall at such time be in reference to the Board;
- (l) **“Common Shares”** means the common shares in the capital of the Corporation as presently constituted or, in the event of an adjustment contemplated by Section 4.12, such other number or type of securities as the Committee may determine;
- (m) **“Consultant”** means an individual or corporation, other than an officer or employee of the Corporation or a Related Entity, that is engaged to provide consulting, technical, management or other services to the Corporation or a Related Entity under a written consulting agreement;

- (n) **“Control Change”** means the occurrence of any of:
- (i) any transaction at any time and by whatever means pursuant to which any person or any group of two or more persons acting jointly or in concert (other than the Corporation or any of its affiliates or subsidiary) thereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Business Corporations Act* (British Columbia)) of, or acquires the right to exercise control or direction over, securities of the Corporation representing 50% or more of the then issued and outstanding voting securities of the Corporation in any manner whatsoever, including, without limitation, as a result of a take-over bid, an issuance or exchange of securities, an amalgamation of the Corporation with any other person, an arrangement, a capital reorganization or any other business combination or reorganization;
 - (ii) the sale, assignment or other transfer of all or substantially all of the assets of the Corporation to a person or any group of two or more persons acting jointly or in concert (other than a wholly-owned subsidiary of the Corporation);
 - (iii) the occurrence of a transaction requiring approval of the Corporation’s security holders whereby the Corporation is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any person or any group of two or more persons acting jointly or in concert (other than an exchange of securities with a wholly-owned subsidiary of the Corporation);
or
 - (iv) the Board passes a resolution to the effect that an event comparable to an event set forth in this definition has occurred;
- (o) **“Control Change Period”** means the period commencing on the date of occurrence of a Control Change and ending twelve months after that date;
- (p) **“Director”** means a director of the Corporation;
- (q) **“Eligible Person”** means a Person entitled to participate in the Plan in accordance with Section 3.2;
- (r) **“Employee”** means an officer or employee of the Corporation or a Related Entity of the Corporation, or such Person as may be so designated by the Committee;
- (s) **“Exchange”** means the Canadian Securities Exchange or any other stock exchange on which the Common Shares are then listed for trading, as applicable;

- (t) **“Exchange Policies”** means the policies, orders, by-laws or regulations of the Exchange;
- (u) **“Expiry Time”** means 4:00 p.m. (Vancouver time) on the last day of the RSU Term;
- (v) **“Fair Market Value”** means, at any date, the higher of: (i) the weighted average price per share at which the Common Shares have traded on the Exchange during the last five (5) trading days prior to that date and (ii) the closing price of the Common Shares on the Exchange on the date prior to that date, or, if the Common Shares are not then listed and posted for trading on any stock exchange, then it shall be the fair market value per Common Share as determined by the Board in its sole discretion; and for such purposes, the weighted average price per share at which the Common Shares have traded on the Exchange shall be calculated by dividing (i) the aggregate sale price for all the Common Shares traded on the Exchange during the relevant five trading days by (ii) the aggregate number of Common Shares traded on the Exchange during the relevant five trading days;
- (w) **“Good Reason”** means “Good Reason” as defined in the Participant’s employment agreement with the Corporation or one of its Related Entities, or if such term is not defined or if the Participant has not entered into an employment agreement with the Corporation or one of its Related Entities, then it means:
 - (i) without the express written consent of the Participant, the assignment to the Participant of any duties materially inconsistent with the Participant’s position, duties and responsibilities with the Corporation immediately prior to such assignment or any removal of the Participant from, or any failure to re-elect the Participant to, material positions, duties and responsibilities with the Corporation;
 - (ii) a material reduction in total compensation, including annual base salary, incentive compensation, benefits (including pension, life insurance, health and accident benefits) and perquisites the Participant was receiving immediately prior to insolvency or a Control Change; or
 - (iii) any reason which would be considered to amount to constructive dismissal by a Court of competent jurisdiction;
- (x) **“Insider”** means: (i) a Director or senior officer of the Corporation; (ii) a Director or senior officer of a company that is an Insider or subsidiary of the Corporation; (iii) a person that beneficially owns or controls, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation; and (iv) the Corporation itself if it holds any of its own securities;

- (y) **“Long-Term Disability”** means long term disability as that term is defined in the Corporation’s long term disability policy or plans which are applicable to such Participant at the relevant time;
- (z) **“Notice of Acquisition”** means a notice substantially in the form of Schedule B from a Participant to the Corporation giving notice of the exercise of an RSU previously granted to the Participant;
- (aa) **“Participant”** means an Eligible Person who has been awarded RSUs under the Plan or to whom RSUs have been transferred in accordance with the Plan;
- (bb) **“Payment Amount”** means the amount determined in accordance with Section 4.7(a);
- (cc) **“Performance Criteria”** means such corporate and/or personal performance criteria as may be determined by the Committee in respect of the grant and/or vesting of Restricted Share Units to any Participant, which criteria may be applied to either the Corporation and its Related Entities as a whole or a Related Entity individually or in any combination, and measured either in total, incrementally or cumulatively over a calendar year or such other performance period as may be specified by the Committee in its sole discretion, on an absolute basis or relative to a pre-established target, to previous years’ results or to a designated comparison group;
- (dd) **“Person”** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, fund, organization or other group of organized persons, government, government regulatory authority, governmental department, agency, commission, board, tribunal, dispute settlement panel or body, bureau, court, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (ee) **“Plan”** means this Restricted Share Unit Plan as amended, restated, supplemented or otherwise modified from time to time;
- (ff) **“Related Entity”** means a Person that is controlled by the Corporation;
- (gg) **“Restricted RSUs”** has the meaning as set out in Section **Error! Reference source not found.**;
- (hh) **“Restricted Share Unit”** or **“RSU”** means a unit equivalent in value to a Common Share, credited by means of a bookkeeping entry on the books of the Corporation in accordance with Article 4;
- (ii) **“RSU Term”** means a term during which a Participant may acquire a Common Share for any vested RSUs granted pursuant to the Plan;

- (jj) **“Security Based Compensation Arrangements”** means an option to purchase Common Shares, or a plan in respect thereof, or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to Directors, Employees or Consultants of the Corporation or its Related Entities;
- (kk) **“Separation Date”** means the last date on which the Participant is actively with the Corporation without regard to any contractual or common law notice period that might apply to such termination or any period during which the Participant receives termination or severance pay; and for greater certainty, in the event that a Participant is on an Approved Leave of Absence, they shall not be deemed to have ceased to be actively at work or to have ceased to be a full time employee;
- (ll) **“Short-Term Disability”** means short term disability as that term is defined in the Corporation’s short term disability policy or plans which are applicable to such Participant at the relevant time; and
- (mm) **“Vesting Date”** means the date determined in accordance with Section 4.2.

Certain Rules of Interpretation

- 2.2
- (a) Whenever the Board or, where applicable, the Committee or any sub-delegate of the Committee is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Board or the Committee or the sub-delegate of the Committee, as the case may be.
 - (b) As used herein, the terms **“Article”** and **“Section”** mean and refer to the specified Article or Section of this Plan.
 - (c) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
 - (d) Unless otherwise specified, all references to money amounts are to Canadian currency.
 - (e) A Person (First Person) is considered to “control” another Person (Second Person) if the First Person, directly or indirectly, has the power to direct the management and policies of the Second Person by virtue of:
 - (i) ownership of or direction over voting securities in the Second Person;
 - (ii) a written agreement or indenture;
 - (iii) being the general partner or controlling the general partner of the Second Person; or

- (iv) being a trustee of the Second Person.

ARTICLE 3 ADMINISTRATION

Administration of the Plan

- 3.1 (a) Subject to subsections 3.1(b) and 3.1(c), this Plan will be administered by the Committee and the Committee has sole and complete authority, in its discretion, to:
- (i) interpret the Plan and prescribe, modify and rescind rules and regulations relating to the Plan;
 - (ii) exercise rights reserved to the Corporation under the Plan;
 - (iii) determine Performance Criteria (if any);
 - (iv) determine vesting schedules (if any);
 - (v) prescribe forms for notices to be prescribed by the Corporation under the Plan; and
 - (vi) make all other determinations and take all other actions as it considers necessary or advisable for the implementation and administration of the Plan.

The Committee's determinations and actions under this Plan are final, conclusive and binding on the Corporation, the Participants and all other Persons.

- (b) To the extent permitted by applicable law, the Committee may, from time to time, delegate to any specified officer of the Corporation all or any of the powers of the Committee under the Plan. In such event, the specified officer will exercise the powers delegated to it by the Committee in the manner and on the terms authorized by the Committee. Any decision made or action taken by the Committee or the specified officer arising out of or in connection with the administration or interpretation of this Plan in this context is final, binding and conclusive on the Corporation, any custodian appointed in respect of the Plan, the Participants and all other Persons.
- (c) Notwithstanding subsections 3.1(a) and 3.1(b), oversight and ultimate responsibility for the Plan resides with the Board. At any time and from time to time, the Board may, in its discretion, take any action or make any decision that is otherwise delegated to the Committee pursuant to Section 3.1(a).

Eligibility

- 3.2 All Directors, Employees and Consultants of the Corporation and its Related Entities are eligible to participate in the Plan, but actual participation of any Person is at the discretion of the Committee or the Board. The Corporation reserves the right to restrict eligibility or otherwise limit the number of Persons eligible for participation in the Plan at any time. Eligibility to participate in the Plan does not confer upon any Person a right to receive an award of RSUs pursuant to the Plan. It shall be the responsibility of the Corporation and the Eligible Person to ensure that such Eligible Person is a *bona fide* Eligible Person. Notwithstanding any other provision of this Plan, Consultants of the Corporation and its Related Entities who are retained to provide Investor Relations Activities are not eligible to participate in the Plan.

Consistency With Other Agreements

- 3.3 Notwithstanding the general terms and conditions of the Plan and any Award Notice, the terms and conditions of any Award of RSUs granted under this Plan shall, to the greatest extent possible, be made consistent with the terms and conditions of any written agreement between the Corporation and/or a Related Entity on the one hand and the Participant on the other hand, in so far as such agreement provides for the treatment of share incentives. In the event of any conflict between any written employment agreement and this Plan or any Award Notice, the written employment agreement shall govern.

Taxes

- 3.4 Each Participant shall be solely responsible for personal income tax payable (and any other tax, levy or charge of any description) with respect to participation in the Plan, including with respect to any payment received by the Participant in respect of vested RSUs under the Plan, although the Corporation is authorized to deduct Applicable Withholding Amounts from such payments.

ARTICLE 4 AWARDS OF RESTRICTED SHARE UNITS

Awards of Restricted Share Units

- 4.1 Subject to the provisions of the Plan and such other terms and conditions as the Committee or the Board may prescribe, the Committee may, from time to time, award RSUs in its discretion to any Eligible Person. RSUs so awarded shall be credited to an Account maintained for each Participant on the books of the Corporation as of the Award Date. The number of RSUs to be credited to each Participant's Account in respect of a fiscal year shall be determined by dividing: (a) the dollar amount of the portion of the Participant's compensation which the Committee, in its sole discretion, determines to be paid as RSUs (including, for greater certainty, such portion of the Participant's

compensation which the Participant has elected to be paid as RSUs in advance of an award in accordance with any rules as may be adopted and communicated by the Committee in this regard at its discretion, if the Committee in its discretion determines to do so), by (b) the Fair Market Value per Common Share on the Award Date. Any fractional RSUs resulting from such calculations shall be rounded to the nearest whole number. For greater certainty, a fractional entitlement that is equal to or greater than 0.5 shall be rounded up to the next greater whole number and a fractional entitlement that is less than 0.5 shall be rounded down to the next lesser whole number.

Vesting Period and RSU Term

- 4.2 Each Award will vest on the dates and/or the satisfaction of the Performance Criteria (each a “**Vesting Date**”) specified by the Committee on the Award Date, and reflected in the Award Notice. The RSU Term shall be determined by the Committee on the Award Date, and reflected in the Award Notice and shall not exceed ten years from the Award Date. Each RSU outstanding and all rights thereunder shall expire at the Expiry Time, but shall be subject to earlier termination in accordance with Sections 4.8 and 4.10 of this Plan.

Award Notice

- 4.3 All Awards of RSUs under Section 4.1 of this Plan will be evidenced by Award Notices. Such Award Notices will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Committee may direct. Any one officer of the Corporation is authorized and empowered to execute and deliver, for and on behalf of the Corporation, an Award Notice to each Participant.

Credits for Dividends

- 4.4 A Participant’s Account shall be credited with additional RSUs as of each dividend payment date in respect of which cash dividends are paid on Common Shares. The number of additional RSUs to be credited to a Participant’s Account shall be computed by dividing: (a) the dividends that would have been paid to such Participant if each RSU in the Participant’s Account on the relevant dividend record date had been one Common Share, by (b) the Fair Market Value of the Common Shares determined as of the date of payment of such dividend. Any fractional RSUs resulting from such calculation shall be rounded to the nearest whole number. For greater certainty, a fractional entitlement that is equal to or greater than 0.5 shall be rounded up to the next greater whole number and a fractional entitlement that is less than 0.5 shall be rounded down to the next lesser whole number. Any such additional RSUs credited to the Participant’s Account shall vest in proportion to and shall be paid under Section 4.6 in the same manner as the RSUs to which they relate. The foregoing does not obligate the Corporation to pay dividends on Common Shares and nothing in this Plan shall be interpreted as creating such an obligation.

Reporting of Restricted Share Units

- 4.5 Statements of the RSU Accounts will be provided to Participants on an annual basis or made available on an on-going basis by any Plan administrator.

Allotment of Common Shares for Issuance by the Corporation

- 4.6 The Corporation shall allot for issuance from treasury such number of Common Shares corresponding to the maximum number of Common Shares that may be deliverable to Participants under this Plan.

Acquisition of Vested RSUs

- 4.7 (a) A Participant or, if Section 4.10 applies, the Participant's estate, who wishes to acquire a Common Share for any vested RSUs may do so by delivering: (i) a completed Notice of Acquisition to the Corporation on or before the Expiry Time; and (ii) a certified cheque or bank draft payable to the Corporation for the Applicable Withholding Amounts (as defined herein) as may be required pursuant to Section 4.7(c), following which the Corporation shall issue, within ten days following receipt of the Notice of Acquisition, and subject to such applicable residual withholding, if any, as the Corporation determines in its discretion should then be imposed to meet related withholding or remittance obligations under applicable law, one Common Share for each RSU in the Participant's Account that the Participant has included on the Notice of Acquisition (the "**Payment Amount**"). The RSUs in respect of which Common Shares are issued shall be cancelled and no further issuances shall be made to the Participant under the Plan in relation to such RSUs.
- (b) The Corporation shall register and deliver certificates for such Common Shares to the Participant by first class insured mail, unless the Corporation shall have received alternative instructions from the Participant for the registration and/or delivery of the certificates.
- (c) When a Participant is otherwise entitled to receive the Payment Amount, the Corporation shall, as a condition of issuance of the Common Shares relating to such Payment Amount, have the right to require the Participant to remit to the Corporation such amount or amounts as the Corporation determines in its discretion should be so remitted in order to satisfy or allow the Corporation to satisfy any federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld and/or remitted with respect to the payment of the Payment Amount or any other taxable event arising as a result of the Plan (the "**Applicable Withholding Amounts**"). At the Corporation's discretion, the Corporation may also choose to require satisfaction of all or any part of the Applicable Withholding Amounts by:

- (i) the tendering by the Participant of a cash payment to the Corporation in an amount less than or equal to the Applicable Withholding Amount;
- (ii) the withholding by the Corporation from the Common Shares otherwise payable to the Participant such number of Common Shares as it determines to be withheld (including any excess then determined by the Corporation in its discretion) and sold by the Corporation, as trustee, to satisfy the Applicable Withholding Amount (net of selling costs, which shall be paid by the Participant). The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares; and/or
- (iii) the withholding by the Corporation from any cash payment otherwise due to the Participant (for any reason whatsoever) such amount of cash as is less than or equal to the amount of the Applicable Withholding Amount;

provided, however, that the sum of any cash so paid or withheld and the fair market value of any Common Shares so withheld is equal to or greater than the Applicable Withholding Amount.

- (d) Participants (and their beneficiaries or any other Persons claiming thereby) shall be responsible for all taxes with respect to participation in the Plan, any RSUs granted under the Plan, receipt of a Payment Amount or otherwise, arising in any way whatsoever. The Corporation and the Board make no guarantees or representations to any Person regarding the tax status of the Plan or RSUs, tax treatment of an RSU award or issuances of Common Shares made under the Plan, tax impact of any decisions or determinations made by the Committee in the administration of the Plan, or otherwise, and none of the Corporation or any of its directors, officers, employees, representatives or counsel shall have any liability to a Participant with respect thereto.
- (e) If the Expiry Time for an RSU falls within any Blackout Period or within ten business days (being a day other than a Saturday, Sunday or other than a day when banks in Vancouver, British Columbia are not generally open for business) following the end of any Blackout Period (the “**Restricted RSUs**”), then the Expiry Time of such Restricted RSUs shall, without any further action, be extended to the date that is ten business days following the end of such Blackout Period notwithstanding any other term of the Plan.

Resignation or Termination

- 4.8 Notwithstanding Section 4.7, and subject to any express resolution passed by the Committee, if:

- (a) a Participant's employment or service with the Corporation or the Related Entity is terminated, whether or not for Cause; or
- (b) a Participant resigns from employment or service with the Corporation or a Related Entity,

then

- (c) any RSUs granted to the Participant under the Plan which have not yet vested or been deemed to be vested, on or before the Separation Date for the Participant are forfeited and cancelled effective on the Separation Date and shall terminate without payment and shall be of no further force or effect from and after the Separation Date; and
- (d) the Participant may, but only within the next 30 days following the Separation Date, deliver a completed Notice of Acquisition to the Corporation to acquire Common Shares for previously vested RSUs (if any) and following such 30 day period, any vested RSUs in respect of which the Participant has not delivered a completed Notice of Acquisition to the Corporation shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on such 30th day and shall terminate without payment and shall be of no further force or effect from and after such time.

Leave of Absence

- 4.9 In the event a Participant takes a leave of absence other than an Approved Leave of Absence, all RSUs granted to the Participant under the Plan that have not then vested shall terminate and be null and void, subject to the Board's sole and absolute discretion to determine otherwise and applicable law.

Death of Participant

- 4.10 Notwithstanding Section 4.2, but subject to any express resolution passed by the Committee, upon the death of a Participant, any RSUs granted to the Participant under the Plan which, as of the date of the death of a Participant have not yet vested, shall immediately vest. Notwithstanding Section 4.2, upon the death of a Participant, any RSUs granted to the Participant under the Plan shall be forfeited and cancelled effective at 4:00 p.m. (Vancouver time) on the first year anniversary of the death of the Participant and shall be terminated without payment and shall be of no further force or effect from and after such time.

Control Change

- 4.11 (a) In the circumstances where the Corporation has entered into an agreement relating to, or otherwise becomes aware of, a transaction which, if completed, would result in a Control Change, the Corporation shall give written notice of the

proposed transaction to the Participants, together with a description of the effect of such Control Change on outstanding RSUs. Such notice shall be given not less than ten Business Days prior to the closing of the transaction resulting in the Control Change.

- (b) Notwithstanding anything else in this Plan or any Award Notice, the Committee may, in connection with a Control Change and at its sole option and without the consent of any Participant:
 - (i) take such steps as the Committee considers desirable, taking into account any tax consequences to the extent considered relevant by the Committee, to cause the conversion or exchange of any outstanding RSUs into or for, rights or other securities of substantially equivalent value (or greater value), as determined by the Committee in its discretion, in any entity participating in or resulting from a Control Change;
 - (ii) accelerate the vesting of any or all outstanding RSUs to provide that, notwithstanding Section 4.2 or any Award Notice, such outstanding RSUs shall be fully vested upon (or immediately prior to) the completion of the transaction resulting in the Control Change; or
 - (iii) determine that a Participant who is no longer an Eligible Person as a result of or in anticipation of a Control Change shall continue to be a Participant and Eligible Person for purposes of the Plan, but subject to such terms and conditions, if any, established by the Committee in its sole discretion.
- (c) If, before the Vesting Date with respect to any RSUs granted to the Participant under the Plan, the Participant's service as a Director ceases or as an Employee of the Corporation or of a Related Entity is terminated by the Corporation or the Related Entity (or by the Participant as contemplated below in (i)B) in circumstances where such cessation or termination occurs:
 - (i) subsequent to a Control Change and during the Control Change Period and such cessation or termination was:
 - A. for any reason whatsoever other than death or termination for Cause; or
 - B. for Good Reason and the Participant gives notice to the Corporation to that effect and after thirty days the Corporation does not cure the act or omission which constitutes Good Reason; or
 - (ii) prior to the date on which a Control Change occurs and it is reasonably demonstrated that such termination:

- A. was at the request of a third party who has taken steps reasonably calculated to effect a Control Change; or
- B. arose in connection with or anticipation of a Control Change,

then the Award shall immediately vest on the Separation Date and the Payment Amount shall be equal to the number of Common Shares determined on the Separation Date multiplied by the number of RSUs in the Participant's Account, net of applicable withholding tax. Notwithstanding the foregoing provisions of this Section 4.11, the Committee may, in its sole and absolute discretion, provide in the Award Notice evidencing the Award a provision to the effect that this Section 4.11 shall not apply in respect of that Award or shall apply on such modified basis as is expressly set forth in such Award Notice.

Adjustments to Restricted Share Units

4.12 In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders (other than the payment of dividends in respect of the Common Shares as contemplated by Section 4.4), the Committee may choose to adjust the Account of each Participant and the RSUs outstanding under the Plan in such manner, if any, as the Committee may in its discretion deem appropriate (taking into account any tax consequences to the extent considered relevant by the Committee) to preserve the Account of each Participant and the RSUs outstanding under the Plan shall be adjusted in such manner, if any, as the Committee may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the Plan. For greater certainty and notwithstanding any other provision of this Plan, in no event shall a Participant be or become entitled to receive any amount of cash from the Corporation.

Discretion to Permit Vesting

4.13 Notwithstanding anything contained in this Article 4, the Committee may, in its sole discretion, subject to such terms and conditions (if any) established by the Committee in its sole discretion, at any time prior to or following the events contemplated therein, permit:

- (a) Persons previously entitled to participate in the Plan to continue to be a Participant for purposes of the Plan;
- (b) the vesting or accelerated vesting of any or all RSUs held by a Participant; and
- (c) the payment of the Payment Amount in respect of such RSUs in the manner and on the terms authorized by the Committee.

Common Shares Reserved

4.14 The number of Common Shares issuable under this Plan:

- (i) in settlement of Restricted Share Units issued under this Plan shall not exceed 10% of the issued and outstanding Common Shares as at the most recent Award Date; and
- (ii) in combination with the aggregate number of Common Shares which may be issuable under any and all of the Corporation's equity incentive plans in existence from time to time, including the Corporation's Stock Option Plan, shall not exceed 20% of the issued and outstanding Common Shares, or such greater number of Common Shares as shall have been duly approved by the Board and, if required by the Exchange's Policies or any Exchange, and by the shareholders of the Corporation.

4.15 The number of Common Shares which may be issuable under this Plan within any one-year period:

- (iii) to any one Eligible Person, shall not exceed 5% of the total number of issued and outstanding Common Shares on the Award Date on a non-diluted basis; and
- (iv) to Insiders as a group within a 12 month period shall not exceed 5% of the total number of issued and outstanding Common Shares on the Award Date on a non-diluted basis.

ARTICLE 5 GENERAL

Amendment, Suspension or Termination of Plan

- 5.1 (a) The Committee may from time to time amend or suspend the Plan in whole or in part and may at any time terminate the Plan without prior notice. However, any such amendment, suspension or termination shall not adversely affect the RSUs previously granted to a Participant at the time of such amendment, suspension or termination, without the consent of the affected Participant.
- (b) If the Committee suspends or terminates the Plan, no new RSUs will be credited to the account of a Participant; however, previously credited RSUs shall remain outstanding but shall not be entitled to dividend credits following suspension or termination unless at the time of suspension or termination the Committee determines that the entitlement to dividend credits during suspension or after termination, as applicable, should be continued.

- (c) The Committee shall not require the consent of any affected Participant in connection with a termination of the Plan in which the vesting of all RSUs held by the Participant are accelerated and the Payment Amount (less Applicable Withholding Amount) is paid to the Participant in respect of all such RSUs.
- (d) The Corporation will be required to obtain the disinterested shareholder approval for any amendment of the Plan related to:
 - (i) the number or percentage issued and outstanding Common Shares available for grant under the Plan;
 - (ii) a change in method of calculation of redemption of RSUs held by Eligible Persons; and
 - (ii) an extension to the term for redemption of RSUs held by Eligible Persons.
- (e) The Plan will terminate on the date upon which is confirmed by a resolution of the Committee.

Compliance with Laws

5.2 The administration of the Plan shall be subject to and made in conformity with all applicable laws and any regulations of a duly constituted regulatory authority. If any provision of the Plan or any RSU contravenes any law or any policy, order, by-law or regulation of any regulatory body or an Exchange, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

Participant's Entitlement

5.3 Except as otherwise provided in this Plan, RSUs previously granted under this Plan, whether or not then vested, are not affected by any change in the relationship between, or ownership of, the Corporation and a Related Entity. For greater certainty, all RSUs remain valid in accordance with the terms and conditions of this Plan and are not affected by reason only that, at any time, a Related Entity ceases to be a Related Entity.

Reorganization of the Corporation

5.4 The existence of any RSUs shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or to create or issue any bonds, debentures, shares or other securities of the Corporation or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Corporation, or any amalgamation, combination, merger or consolidation involving the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Costs of Administration

- 5.5 The Corporation will be responsible for all costs relating to the administration of the Plan except that the participant shall pay all brokerage fees related to their own brokerage account(s) to which Common Shares are delivered pursuant to Section 4.7.

Assignment

- 5.6 (a) An RSU is personal to the Participant and is non-assignable. No RSU granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by the Participant, whether voluntarily or by operation of law, otherwise than by testate succession or the laws of descent and distribution, and any attempt to do so will cause such RSU to be null and void. A vested RSU shall be redeemable only by the Participant and, upon the death of a Participant, the person to whom the rights shall have passed by testate succession or by the laws of descent and distribution may redeem any vested RSUs in accordance with the provisions of Article 4.
- (b) Rights and obligations under the Plan may be assigned by the Corporation (without the consent of Participants) to a successor in the business of the Corporation, any Corporation resulting from any amalgamation, reorganization, combination, merger or arrangement of the Corporation, or any corporation acquiring all or substantially all of the assets or business of the Corporation.

No Shareholder Rights

- 5.7 Under no circumstances shall RSUs be considered Common Shares or other securities of the Corporation, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares or other securities of the Corporation, nor shall any Participant be considered the owner of Common Shares by virtue of the Award of RSUs.

Participation is Voluntary; No Additional Rights

- 5.8 The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment or service nor a commitment on the part of the Corporation to ensure the continued employment or service of such Participant. Nothing in this Plan shall be construed to provide the Participant with any rights whatsoever to participate or to continue participation in this Plan, or to compensation or damages in lieu of participation, whether upon termination of the Participant's employment or service or otherwise. The Corporation does not assume responsibility for the personal income tax liability or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

Market Fluctuations

- 5.9 No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Common Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. For greater certainty and notwithstanding any other provision of this Plan, a Participant will in no event be or become entitled to receive any amount of cash from the Corporation in respect of participation in this Plan. The Corporation makes no representations or warranties to Participants with respect to the Plan or the Common Shares whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to accept all risks associated with a decline in the market price of Common Shares.

Participant Information

- 5.10 Each Participant shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer to the Plan. Each Participant acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to any custodian in respect of the Plan and any other third parties in connection with the administration of the Plan. Each Participant consents to such disclosure and authorizes the Corporation to make such disclosure on the Participant's behalf.

Indemnification

- 5.11 Every director of the Corporation will at all times be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses whatsoever including any income tax liability arising from any such indemnification, that such director may sustain or incur by reason of any action, suit or proceeding, taken or threatened against the director, otherwise than by the Corporation, for or in respect of any act done or omitted by the director in respect of this Plan, such costs, charges and expenses to include any amount paid to settle such action, suit or proceeding or in satisfaction of any judgment rendered therein.

Governing Law

- 5.12 The Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to principles of conflict of laws.

SCHEDULE "A"

RESTRICTED SHARE UNIT PLAN

FORM OF AWARD NOTICE

To: **[Name]**
[Position]

IM Exploration Inc. (the "**Corporation**") hereby grants the following to you in accordance with and subject to the terms, conditions and restrictions of this award notice together with the provisions of the Restricted Share Unit Plan of the Corporation (the "**Plan**") dated **[insert date]**:

<u>Date of Grant:</u>	<u>[insert date]</u>
<u>Number of RSUs Awarded:</u>	<u>[insert number]</u>
<u>RSU Term/Expiry Time:</u>	<u>[insert time, not exceeding 10 years from award date]</u>
<u>Performance Criteria (if any):</u>	<u>[insert criteria or reference any attached schedule]</u>

Subject to any acceleration in vesting as provided in the Plan and approved by the Board of Directors, the RSUs granted in this award vest as follows:

<u>% of RSUs Which Vest</u>	<u># of RSUs Which Vest</u>	<u>Vesting Date</u>
[insert]%	[insert]	[insert]
[insert]%	[insert]	[insert]
[insert]%	[insert]	[insert]

In order to receive Common Shares representing your Award, complete and deliver a Notice of Acquisition in accordance with the terms of the Plan prior to the Expiry Time or earlier, as required or permitted under the Plan, together with a certified cheque or bank draft payable to the Corporation for the Applicable Withholding Amount as determined by the Corporation.

The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Award Notice and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.

IM EXPLORATION INC.

By: _____
Authorized Signatory

SCHEDULE "B"

**RESTRICTED SHARE UNIT PLAN
FORM OF NOTICE OF ACQUISITION**

To: IM Exploration Inc. (the "**Corporation**")

From: _____

Please be advised that effective _____, I wish to exercise my Award to acquire _____ Common Shares of the Corporation in accordance with the terms of the Award Notice dated _____ and the Restricted Share Unit Plan of the Corporation (the "**Plan**"). Additionally, I enclose a certified cheque or bank draft in payment of \$_____ in respect of an amount equal to the Applicable Withholding Amount for such acquisition of Common Shares.

The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Notice of Acquisition and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.

Dated _____

Please issue _____ Common Shares registered as follows:

(No. of certificates) _____ (No. of Common Shares) _____

Name _____

Address _____

Cheque attached

(Signature)

(Date)