



**Notice of Annual and Special Meeting  
and  
Management Information Circular**

**October 6, 2021**

**METALLICA METALS CORP.**  
**(formerly Cameo Industries Corp.)**  
Suite 810, 789 West Pender Street,  
Vancouver, British Columbia V6C 1H2

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

NOTICE IS GIVEN THAT an annual and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Metallica Metals Corp. (formerly Cameo Industries Corp.) (the “**Company**”) will be held at 810 – 789 West Pender Street Vancouver BC V6C 1H2 on Wednesday, November 10, 2021 at 11:00 a.m. (Vancouver time) for the following purposes:

1. to receive the Company’s audited financial statements for the fiscal years ended April 30, 2021;
2. to fix the number of directors at four (4);
3. to elect directors of the Company to holder office until the next annual meeting of Shareholders;
4. to appoint the auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution ratifying, confirming and approving the Company’s restrictive share unit plan, as more particularly described in the accompanying Circular;
6. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution ratifying, confirming and approving the Company’s deferred share unit plan, as more particularly described in the accompanying Circular;
7. to transact such further or other business as may properly come before the Meeting or any adjournment(s) thereof.

The Company’s board of directors (the “**Board**”) has fixed October 6, 2021 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, Endeavor Trust Company, 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, no later than 11:00 a.m. on November 8, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

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

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the Meeting by proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at **1-800-319-7310**, Participation Code: **39668**, followed by the # sign.

Dated at Vancouver, British Columbia, this 6<sup>th</sup> day of October, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS**

Signed: “*Paul Ténère*”

Paul Ténère, CEO & Director

## **METALLICA METALS CORP.**

Suite 810, 789 West Pender Street  
Vancouver, British Columbia  
V6Z 2R9

### **INFORMATION CIRCULAR**

This Information Circular (the “**Circular**”) accompanies the Notice of the annual general meeting (the “**Meeting**”) of the Shareholders of Metallica Metals Corp. (formerly Cameo Industries Corp.) (the “**Company**”), and is furnished to Shareholders holding shares of the Company (the “**Shares**”), in connection with the solicitation by the Company’s management of proxies to be voted at the Meeting to be held at **11:00 am on Wednesday, November 10, 2021 at Suite 810, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2** or at any adjournment or postponement thereof.

Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Glossary of Terms in this Circular.

### **COVID-19**

In view of the current and rapidly evolving COVID-19 outbreak, the Company asks that, in considering whether to attend the Meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak. As always, the Company encourages shareholders to vote prior to the Meeting. Shareholders are encouraged to vote on the matters before the meeting by proxy and to join the Meeting by teleconference. To access the Meeting by teleconference, dial toll free at **1-800-319-7310**, Participation Code: **39668**, followed by the # sign.

### **INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR**

The date of this Circular is October 6, 2021. Unless otherwise stated, all amounts herein are in Canadian dollars. The following documents filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com) are specifically incorporated by reference into, and form an integral part of, this Circular: the audited consolidated financial statements of the Company and the related notes thereto, for the financial years ended April 30, 2021 and April 30, 2020; the report of the Company’s auditor thereon; and management’s discussion and analysis related to the above financial statements.

No person has been authorized to give any information or to make any representation in connection with any matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisers in connection therewith.

### **PROXIES AND VOTING RIGHTS**

#### **Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish the proxy-related materials to their customers, and the

Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies.

If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

The Company has arranged for intermediaries to forward the Meeting materials to beneficial owners of Shares (the “**Beneficial Shareholders**”) held of record by those intermediaries. The Company has distributed or made available for distribution, copies of the Notice, this Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

The Company does not intend to pay for Intermediaries to forward to objecting Beneficial Shareholders under NI 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. An objecting Beneficial Shareholder will not receive such materials unless the objecting Beneficial Shareholder’s Intermediary assumes the cost of delivery.

These proxy-related materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. On a show of hands, every Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of October 6, 2021 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of Registered Shareholders is available for inspection during normal business hours at the offices of Endeavor Trust Corporation (“**Endeavor Trust**”) and will be available at the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Endeavor Trust Corporation at their offices located at 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, by mail, or by fax at 604-559-8908, or by email at [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com), no later than 11:00 am on November 8, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. In the absence of such direction, such shares will be voted in the discretion of the person named in the proxy. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this information circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### **Revocation of Proxy**

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last Business Day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD FOR DIRECTORS AND AUDITOR.**

The enclosed form of proxy confers discretionary authority upon the Designated Persons with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Beneficial Shareholders who do not hold their shares in their own name should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.**

If Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered 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), and in Canada, 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). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the proxy well in advance of the Meeting to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent).

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his, her or its Shares.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board to be the close of business on October 6, 2021, a total of 63,657,030 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

The Shares have been listed and posted for trading on the Canadian Stock Exchange ("**CSE**") under the symbol "**MM**" since June 2020, prior to which the Shares traded on the TSX Venture Exchange ("**TSXV**") since 1988.

In accordance with applicable laws, the board of directors of the Company (the "**Board**") has fixed a record date as at October 6, 2021 (the "**Record Date**") for the purposes of determining Shareholders entitled to receive notice of, and

to vote at, the Meeting, and has obtained a list of all persons who are Registered Shareholders at the close of business on the Record Date and the number of Shares registered in the name of each Registered Shareholder on that date. Each Registered Shareholder as at the close of business on the Record Date will be entitled to receive notice of the Meeting and will be entitled to one vote at the Meeting for each Common Share registered in his or her name as it appears on the list.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

## **BUSINESS OF THE MEETING**

### **Receipt of Financial Statements**

The Company's audited financial statements for the year ended April 30, 2021 and the report of the auditors on those statements will be placed before the Meeting. Copies of the Financial Statements, the auditors' report thereon and management's discussion and analysis of the Company ("MD&A") for the year ended April 30, 2021 have been mailed to all Registered Shareholders and Non-Registered Shareholders who have opted to receive such materials. The Financial Statements are also available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). No vote by the Shareholders is required to be taken with respect to the Financial Statements.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Circular and send it to the transfer agent, Endeavor Trust Corporation.

### **Appointment and Remuneration of Auditors**

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Shim & Associates LLP, Chartered Professional Accountants as the auditor to hold office until the next annual meeting of the Shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board to fix the remuneration to be paid to the auditor. Shim & Associates LLP, of Vancouver, British Columbia has served as the auditor for the Company since October of 2019.

**Management recommends that Shareholders vote for the approval of the re-appointment of Shim & Associates LLP as the auditor for the Company for the ensuing year at a remuneration to be fixed by the Board.**

## **NUMBER OF DIRECTORS**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote, are voted in favour to set the number of directors at four (4).

**Management recommends the approval of the resolution to set the number of directors of the Company at four (4).**

## **ELECTION OF DIRECTORS**

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management of the Company proposes to nominate the persons listed below for election as directors to hold office until the next annual meeting or until their successors are elected or appointed, unless his office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) (the "BCA") and the Articles.

All of the nominees are currently members of the Board and have been since the dates indicated below. Management

does not contemplate that any of the nominees will be unable to serve as a director. **However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion if they are permitted to do so by applicable law. The persons named in the enclosed form of proxy intend to vote FOR the election of all of the nominees whose names are set forth below unless otherwise instructed to withhold from voting thereon on a properly executed and validly deposited proxy.**

The following table sets forth certain information concerning management’s nominees for election as directors, including the approximate number of Shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction.

Name, Province, Country of Residence & Position(s)	Principal Occupation Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
<b>PETER NGUYEN</b> British Columbia, Canada <i>Corporate Secretary, Chief Financial Officer and Director</i>	Chartered Professional Accountant	July 26, 2019 to Present	Nil (0.0%)
<b>PAUL TENIERE</b> <sup>(2)</sup> New Brunswick, Canada <i>Chief Executive Officer and Director</i>	Professional geologist	July 26, 2019 to Present	137,500 (0.21%)
<b>SANDY NOYES</b> <sup>(2)</sup> Ontario, Canada <i>Director</i>	Investor relations	June 24, 2020 to Present	Nil (0.0%)
<b>TRUMBULL FISHER</b> <sup>(2)</sup> Ontario, Canada <i>Director</i>	See “Details of Directors Not Previously Elected by a Shareholder Vote” below.	January 28, 2021 to Present	Nil (0.0%)

Notes:

- (1) Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Circular, based upon information furnished to the Company by the individual directors. These numbers do not include outstanding stock options or warrants available for exercise.
- (2) Member of the Audit Committee.

## Details of Directors Not Previously Elected by a Shareholder Vote

### *Trumbull Fisher*

Mr. Fisher Trumbull Fisher has over 15 years of capital markets experience managing high profile assets. He has co-founded the Casimir Capital Trading Desk; co-founder of Sui Generis; been head of trading at Forge First Asset Management; former President of New Wave Holdings Corp. and has been President of Lincoln Hold Co. Ltd. since 2015. Mr. Fisher has been and continues to manage and serve on the board of several public and private companies.

**Management recommends the approval of each of the nominees listed above for election as a director of the Company for the ensuing year.**

### *Cease Trade Orders and Conflicts of Interest*

To the knowledge of the Company, as of the date hereof, no Nominee is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order or similar order or an order that denied the corporation access to any statutory exemptions for a period of more than 30 consecutive days (an “**Order**”), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or

- (b) was subject to an Order that was issued after the director or executive officer 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, CEO or CFO.

The directors are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies. All related party transactions during each reporting period are detailed in the Company's Management Discussion & Analysis for the fiscal year ended April 30, 2021.

### ***Bankruptcies***

To the best of the Company's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

### ***Personal Bankruptcies***

To the best of the Company's knowledge, no proposed director of the Company has, within 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.

In May 2011, Paul Ténrière filed a consumer proposal in Dartmouth, Nova Scotia in connection with a compromise and agreement with unsecured creditors. The consumer proposal was fully discharged on September 27, 2012.

### ***Penalties and Sanctions***

Other than as disclosed herein, to the best of the Company's knowledge, no proposed director has been subject to, or entered into a settlement agreement resulting from:

- (a) a court order relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### ***Disclosure***

Trumbull Fisher was a director of Tantalex Resources Corporation ("Tantalex"), a CSE listed company. Tantalex was subject to a cease trade order issued by the Ontario Securities Commission on August 19, 2020 relating to the failure to file its audited annual financial statements, the annual management's discussion and analysis and the certification of annual filings for the year ended February 29, 2020 (the "2020 Annual Financial Statements"). Tantalex filed its 2020 Annual Financial Statements on November 6, 2020. The Ontario Securities Commission revoked its cease trade order issued against Tantalex and the company's common shares resumed trading on the CSE effective November 16, 2020.

## STATEMENT OF EXECUTIVE COMPENSATION

### Definitions

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**NEO**” or “*named executive officer*” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year;

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

“**share-based award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

### Named Executive Officer and Director Compensation Table

The following table summarizes the compensation paid to the directors and NEOs of the Company for the last two completed financial years:

Table of compensation excluding compensation securities							
Name and position	Year Ended April 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Peter Nguyen CFO, Secretary & Director	2021	\$36,000	Nil	Nil	Nil	Nil	\$36,000
	2020	\$27,000	Nil	Nil	Nil	Nil	\$27,000
Paul Ténière CEO & Director	2021	\$85,000	Nil	Nil	Nil	Nil	\$85,000
	2020	\$63,500	Nil	Nil	Nil	Nil	\$63,500

Other than as set forth in the foregoing table, the named executive officers and directors have not received, during the most recently completed financial year, compensation pursuant to any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments, any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors, or any arrangement for the compensation of directors for services as consultants or experts.

### Stock Options and Other Compensation Securities

The following tables set forth the details of all compensation securities granted or issued to each named executive officer and director by the Company (or any subsidiary, as applicable) in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company (or any subsidiary, as applicable):

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
Paul Teniere, Chief Executive Officer and Director	Stock Option	375,000	12/15/20	\$0.155	\$0.155	\$0.28	12/15/25
Peter Nguyen, Chief Financial Officer and Director	Stock Option	125,000	12/15/20	\$0.155	\$0.155	\$0.28	12/15/25

No named executive officer or director of the Company exercised any outstanding compensation securities during the most recently completed financial year of the Company.

### Stock Option Plans

The Board has adopted a stock option plan (the “**Stock Option Plan**”) whereby a maximum of 20% of the issued and outstanding Shares, from time to time, may be reserved for issuance pursuant to the exercise of incentive stock options (the “**Options**”). Under the terms of the Stock Option Plan, options may be granted only to: (i) our employees, officers, directors, and consultants; (ii) employees, officers, directors, and consultants of an affiliate of ours; and (iii) any other person deemed suitable by the Board to receive options to purchase Shares.

The exercise price of any option when exercised may not be less than the greater of the closing market price of the Shares on: (a) the last trading day immediately preceding the date of grant of the option; and (b) the date of grant of the option; provided however, that if the Shares are not listed on any securities exchange, the exercise price may not be less than the fair market value of the Shares as may be determined by the Board on the day immediately preceding the date of the grant of such option.

The options are non-assignable and non-transferable. Options granted under the Stock Option Plan have a maximum term of five years and can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Stock Option Plan or within 90 days (or as otherwise determined by the Board) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee’s death.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time.

The decision to grant options is made by the Board as a whole, and a grant is approved by directors’ resolutions or at a meeting of the Board. Decisions address vesting, maximum term, number of options, exercise price and method of exercise.

## **DSU and RSU Plans**

The Board adopted the restricted share unit plan (“**RSU Plan**”) and a deferred share unit plan (“**DSU Plan**”) for the benefit of the Company’s directors, employees and consultants, on September 30, 2021. The RSU Plan and DSU Plan have been established as vehicles to: (i) promote a further alignment of interests between directors, employees, consultants and Shareholders; (ii) to associate a portion of a director’s, employee’s or consultant’s compensation with the returns achieved by Shareholders; and (iii) to attract and retain directors, employees and consultants with the knowledge, experience and expertise required by the Company.

The Board intends to use both the Restricted Share Units (“**RSUs**”) and Deferred Share Units (the “**DSUs**”) issued under the respective plans as part of the Company’s overall executive compensation plan. Since the value of RSUs and DSUs increase or decrease with the price of the common shares, DSUs and RSUs reflect a philosophy of aligning the interests of holders there with those of the Shareholders by tying compensation to share price performance. The RSU Plan and DSU Plan are more fully described under the heading “**Particulars of Other Matters to be Acted Upon**” herein.

The number of Shares issued or to be issued under all plans combined, and all other security based compensation arrangements, at any time, shall not exceed 20% of the total number of the issued and outstanding Shares from time to time.

## **Employment, Consulting and Management Agreements**

The Company entered into a management consulting agreement dated June 22, 2020 (the “**Ténière Agreement**”) with Ténière Geoconsulting Services (“**Ténière Geoconsulting**”), a sole proprietorship company owned by Paul Ténière, CEO of the Company, pursuant to which it has secured the services of Mr. Ténière to provide the services of CEO and Director of the Company. The Ténière Agreement commenced on June 1, 2020 and continues indefinitely unless and until terminated by either party in accordance with the provisions of the Ténière Agreement. The Ténière Agreement may be terminated by Ténière Geoconsulting by giving three months' notice or the Company, without cause, by giving 90 days' notice to Ténière Geoconsulting, unless a shorter notice period is agreed to by both parties. The Company pays to Ténière Geoconsulting an annual base consulting fee of \$84,000 (the “**Base Fee**”), payable monthly in equal installments of \$7,000. In addition to the Base Fee, the Company agrees to pay all reasonable expenses of Ténière Geoconsulting and Mr. Ténière is entitled to participate in all applicable security based compensation plans. If there is a take-over or change of control of the Company resulting in the termination of Mr. Ténière as an officer of the Company, including any constructive dismissal, Mr. Ténière will be entitled to the immediate payment of \$84,000 in severance (1 years' Base Fee).

## **Oversight and Description of Named Executive Officer and Director Compensation**

The Board is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the Company’s executive officers. The Company at this time does not have a formal compensation program with specific performance goals; however, the performance of each executive is considered along with the Company’s ability to pay compensation and its results of operation for the period.

The Company’s executive compensation is currently comprised of a base fee or salary. Base fees or salaries are intended to provide current compensation and a short-term incentive for the NEO to meet the Company’s goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the NEO.

Compensation is designed to achieve the following key objectives:

- a) to support our overall business strategy and objectives;
- b) to provide market competitive compensation that is substantially performance-based;
- c) to provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and
- d) to align executive compensation with corporate performance and therefore Shareholders' interests.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the two most recently completed financial years was, a director or executive officer of the Company, a proposed nominee for election as a director of the Company, or an associate of any of the foregoing individuals, has been indebted to the Company at any time since the commencement of the Company's last completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the outstanding Shares (an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

## AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, 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.

### The Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

### Composition of the Audit Committee

As of the date of this Circular, the following are the members of the Audit Committee:

Audit Committee Members		
Paul Ténrière	Not independent	Financially literate
Sandy Noyes	Independent	Financially literate
Trumbull Fisher	Independent	Financially literate

### Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each member that is relevant to the performance of his responsibilities as a member of the Audit Committee is as follows:

**Paul Ténrière** has Bachelor of Science (Honours) in Earth Sciences and Master of Science (Geology) and has worked in the capital markets and corporate finance for over 5 years. Mr. Ténrière was a Listings Manager and Mining Expert at the Toronto Stock Exchange (TSX) and TSX Venture Exchange from 2014-2018 and reviewed annual and quarterly financial statements and other corporate finance documents to determine Issuer's eligibility for Exchange listings and whether they met continued listing requirements. In addition, Mr. Ténrière is the CEO and/or director of several mining companies and reviews financial statements as a member of the board or Audit Committee.

**Sandy Noyes** holds a Bachelor of Fine Arts from Brock University and earned her CPIR Designation through the Ivey Business School at the University of Western Ontario in 2019 and completed the Canadian Securities Course.

**Trumbull Fisher** has over 15 years of capital markets experience managing high profile assets. Mr. Fisher started his career in the back office of an American Custodian, before moving onto a top six Canadian bank as a foreign exchange trader. Mr. Fisher then moved over to the equity Sell-Side of the business, where he cofounded an IROC Institutional Equity Sales & Trading Desk. Fisher was instrumental in the firm raising significant capital for micro and small cap companies. Mr. Fisher was directly responsible for maintaining the liability trading book, resulting in the investment

bank being the #7 broker in global ranking tables, establishing the firm as one of the biggest unlisted warrant traders in the Canadian market. Mr. Fisher went on to co-found Sui Generis Investment Partners, a long/short offshore fund with a Canadian feeder for the purpose of investing in global equities. Mr. Fisher helped oversee the successful sale of Sui 9 Generis to Forge First Asset Management, where he was head of trading and managed the fund’s discretionary trading book.

### **Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in sections 2.4 (De Minimis Non-audit Services), 3.2 (Initial Public Offerings), 3.4 (Events Outside Control of Member), 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### **Reliance on the Exemption in Subsection 3.3(2) or Section 3.6**

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exception Circumstances) of NI 52-110.

### **Reliance on Section 3.8**

At no time since the commencement of our most recently completed financial year, have we relied on section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

### **Reliance on Section 6.1**

Pursuant to section 6.1 of NI 52-110, as a venture issuer we are relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter under the heading “External Auditors”.

### **External Auditor Service Fees**

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-Related Fees” are fees not included in audit fees that are billed by the Auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax Fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the Auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Auditor in the last two fiscal years, by category, are as set out in the table below.

<b>Financial Year Ended April 30</b>	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees (\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>
2021	\$25,000	\$Nil	\$2,500	\$Nil
2020	\$16,700	\$3,500	\$Nil	\$Nil

## **CORPORATE GOVERNANCE**

Maintaining a high standard of corporate governance is a priority for the Board and the Company’s management believes that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Company’s corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

## **Board of Directors**

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

## **Independence of Directors**

As a venture issuer, the Company is exempt from the independence requirements of NI 52-110, Part 3. Sandy Noyes and Trumbull Fisher are not officers or employees of the Company or of an affiliate of the Company.

Peter Nguyen is the Chief Financial Officer and Corporate Secretary and Paul Ténrière is the Chief Executive Officer of the Company, and therefore are not considered to be independent.

## **Directorships**

The current directors of the Company and each of the individuals to be nominated for election as a director of the Company at the Meeting may serve as a director or officer of one or more other reporting issuers as at the date of this Notice of Meeting and Circular. However, our directors are required by law to act honestly and in good faith with a view to our best interests and to disclose any interests which they may have in any of our projects or opportunities. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not we will participate in any project or opportunity, that director will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

To the best of our knowledge, there are no known existing or potential conflicts of interest among us and our promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

## **Orientation and Continuing Education**

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills as required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

## **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law of Canada and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of Shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

## **Compensation**

The Board conducts reviews with regard to the compensation of the directors and CEO once a year. To make its recommendations on such compensation, the Board informally takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

At present, no compensation is paid to the directors of the Company in their capacity as directors. The Board does not currently have a compensation committee.

## **Other Board Committees**

The Board has no other committees other than the Audit Committee.

## **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

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

Except as disclosed elsewhere in this Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **Approval of Restricted Share Unit Plan**

The Board has adopted the RSU Plan for the benefit of the Company's employees, directors and consultants. The RSU Plan has been established to assist the Company in the recruitment and retention of highly qualified employees, directors and eligible consultants by providing a means to reward performance, to motivate participants under the RSU Plan to achieve important corporate and personal objectives and, through the proposed issuance by the Company of Shares under the RSU Plan, to better align the interests of participants with the long-term interests of Shareholders.

The Board intends to use Restricted Share Units ("RSUs") issued under the RSU Plan, as well as options issued under the Stock Option Plan, as part of the Company's overall executive compensation plan. Since the value of RSUs increase or decrease with the price of the Shares, RSUs reflect a philosophy of aligning the interests of executives with those of the Shareholders by tying executive compensation to share price performance. In addition, RSUs assist in the retention of qualified and experienced executives by rewarding those individuals who make a long term commitment.

At the Meeting, Shareholders will be asked to approve a resolution to approve the RSU Plan as a treasury based plan and to reserve Shares from treasury for issuance under the RSU Plan. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of the Shares present in person or represented by proxy at the Meeting, excluding the votes attached to Shares beneficially owned by insiders of the Company to whom RSUs may be granted under the RSU Plan and their associates. If the resolution approving the RSU Plan is not approved by disinterested shareholders at the Meeting, the RSU Plan will not become effective.

### Summary of the RSU Plan

Set out below is a summary of the RSU Plan. A copy of the RSU Plan is attached as Schedule "B" to this information circular.

### Eligible Participants

The RSU Plan is administered by the Compensation Committee of the Board or such other Committee of the Board as may be designated by the Board (the "**Committee**"). Employees, directors and eligible consultants of the Company and its designated subsidiaries are eligible to participate in the RSU Plan. In accordance with the terms of the RSU Plan, the Company, under the authority of the Board of Directors through the Committee, will approve those employees, directors and eligible consultants who are entitled to receive RSUs and the number of RSUs to be awarded to each participant. RSUs awarded to participants are credited to them by means of an entry in a notional account in their favour on the books of the Company. Each RSU awarded conditionally entitles the participant to receive one Common Share (or the cash equivalent) upon attainment of the RSU vesting criteria.

### Vesting

The vesting of RSUs is conditional upon the expiry of a time-based or performance-based vesting period. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs shall be determined at the time of the grant by the Compensation Committee.

Once the RSUs vest, the participant is entitled to receive the equivalent number of underlying Shares or cash equal to the Market Value of the equivalent number of Shares. The vested RSUs may be settled through the issuance of Shares from treasury (subject to the Shareholder approval being sought at this Meeting), by the delivery of Shares purchased in the open market, in cash or in any combination of the foregoing (at the discretion of the Company). If settled in cash, the amount shall be equal to the number of Shares in respect of which the participant is entitled multiplied by the Market Value of a Common Share on the payout date. Market Value per share is defined in the RSU Plan and means, subject to the exceptions, if any, prescribed by the Exchange from time to time (i) the last closing price of the Company's Shares before the issuance of the RSUs; (ii) if the Company's Shares trade on the CSE or another stock exchange where the majority of the trading volume and value of the shares occurs, the price is calculated based on a reasonable pre-determined formula, which formula is accepted by the Exchange and is based on a volume weighted average trading price or average daily high and low board lot trading price for the five trading days prior to the issuance of the RSUs. In the event that the Shares are not listed and posted for trading on any stock exchange, the Share Price shall be the Share Price as determined by the Board in its discretion, acting reasonably and in good faith. Fractional Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

The RSUs may be settled on the payout date, which shall be the third anniversary of the date of the grant or such other date as the Committee may determine at the time of the grant, which in any event shall be no later than the expiry date for such RSUs. The expiry date of RSUs is the date determined by the Company for such purpose for such grant, which date shall be no later than the date which is one year after the Participant's Termination Date and shall, in all cases, be in compliance with the requirements pertaining to the exception to the application of the salary deferral arrangement rules in paragraph 248(1)(k) of the *Income Tax Act* (Canada), as such section may be amended or re-enacted from time to time.

### Maximum Number of Shares Issued

- a) shall not exceed 10% of the total number of issued and outstanding Shares, from time to time, on a non-diluted basis; and
- b) in combination with the aggregate number of Shares which may be issuable under any and all of the Company's Security Based Compensation Arrangements, as defined in the RSU Plan, in existence from time to time, shall not exceed 20% of the total number of issued and outstanding Shares, from time to time, on a non-diluted basis, or such other number of Shares as shall have been duly approved by the Board, by the Exchange and by the Shareholders.

### Participation Limits

The number of Shares which may be reserved for issuance under the RSU Plan within anyone-year period:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis;
- (b) under the RSU Plan and any other of the Company's Security Based Compensation Arrangements (i) the aggregate number of Shares issued to Insiders, within any one-year period; and (ii) the aggregate number of Shares issuable to Insiders at any time, shall not exceed 10% of the issued and outstanding Shares from time to time; and
- (c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

### Cessation of Entitlement

Unless otherwise determined by the Company in accordance with the RSU Plan, RSUs which have not vested on a participant's termination date shall terminate and be forfeited. If a participant who is an employee ceases to be an employee as a result of termination of employment without cause, in such case, at the Company's discretion, or for

good reason (unless otherwise provided in the applicable Grant Agreement), all or a portion of such participant's RSUs may be permitted to continue to vest, in accordance with their terms, during any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Company in its sole discretion. All forfeited RSUs are available for future grants.

Transferability

RSUs are not assignable or transferable other than by will or the laws of descent and distribution.

Amendments to the RSU Plan

Following receipt of the Shareholder approval contemplated hereunder the Board reserves the right, in its sole discretion, to amend, suspend or terminate the RSU Plan or any portion thereof at any time, in accordance with Applicable Law, without obtaining the approval of Shareholders, unless required by the policies of the Exchange. Notwithstanding the foregoing, the Company will be required to obtain disinterested Shareholder approval for any amendment related to:

- (a) the number or percentage of issued and outstanding Shares available for grant under the Plan (other than by virtue of adjustments pursuant to Article 6 of the RSU Plan);
- (b) a change in the method of calculation of the payout of RSUs held by Participants; and
- (c) an extension of the Payout Date of RSUs held by Participants.

The Board may, without notice, at any time and from time to time, without shareholder approval, amend the RSU Plan or any provisions thereof in such manner as the Board, in its sole discretion, determines appropriate including, without limitation:

- (a) amendments to the terms and conditions of the RSU Plan necessary to ensure that the RSU Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;
- (b) amendments to the provisions of the RSU Plan respecting administration of the RSU Plan and eligibility for participation under the RSU Plan;
- (c) amendments to the provisions of the RSU Plan respecting the terms and conditions on which RSUs may be granted pursuant to the RSU Plan, including the provisions relating to the payment of the RSUs;
- (d) amendments necessary to suspend or terminate the RSU Plan;
- (e) amendments to the RSU Plan that are of a "housekeeping" nature; and
- (f) any other amendment, fundamental or otherwise, not requiring Shareholder approval under Applicable Laws or the applicable rules of the Exchange.

Provided, however, that no such amendment of the RSU Plan may be made without the consent of each affected Participant in the RSU Plan if such amendment would adversely affect the rights of such affected Participant(s) under the RSU Plan.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to approve the RSU Plan:

**"BE IT RESOLVED AS AN ORDINARY RESOLUTION, THAT:**

1. the Restricted Share Unit Plan allowing for the issuance of a maximum of 10% of the total number of issued and outstanding Shares, from time to time, on a non-diluted basis from treasury, as described in the Company's Proxy Circular dated October 6, 2021, be and is hereby approved;
2. the unallocated entitlements are hereby approved and the Company will have the ability to issue Restricted Share Units which may be settled in Shares; and
3. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution."

**The directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that Shareholders of the Company vote in favor of the resolution.**

The persons named as proxies in the enclosed Proxy intend to cast the votes represented by proxy in favor of the foregoing resolution unless the holder of Shares who has given such proxy has directed that the votes be otherwise cast.

### **Approval of Deferred Share Unit Plan**

The Board has adopted the DSU Plan for the benefit of the Company's non-executive directors of which currently there are two. The DSU Plan has been established to assist the Company in the recruitment and retention of qualified persons to serve on the Board and, through the proposed issuance by the Company of Shares under the DSU Plan, to promote better alignment of the interests of directors and the long-term interests of Shareholders.

The Board intends to use the Deferred Share Units ("DSUs") issued under the DSU Plan, as well as options issued under the Stock Option Plan and RSUs issued under the RSU Plan, if any, as part of the Company's overall director compensation plan. Since the value of DSUs increase or decrease with the price of the Shares, DSUs reflect a philosophy of aligning the interests of directors with those of the Shareholders by tying compensation to share price performance.

At the Meeting, Shareholders will be asked to approve a resolution to approve the DSU Plan as a treasury-based plan and to reserve Shares from treasury for issuance under the DSU Plan. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of the Shares present in person or represented by proxy at the Meeting, excluding the votes attached to Shares beneficially owned by insiders of the Company to whom DSUs may be granted under the DSU Plan and their associates. If the resolution approving the DSU Plan is not approved by disinterested shareholders at the Meeting, the DSU Plan will not become effective.

### Summary of the DSU Plan

Set out below is a summary of the DSU Plan. A copy of the DSU Plan has been attached as Schedule "C" to this information circular.

### Administration of Plan

The DSU Plan provides that non-executive directors may elect to receive up to 50% of their annual compensation amount (the "**Annual Base Compensation**") in DSUs. A DSU is a unit credited to a participant by way of a bookkeeping entry in the books of the Company, the value of which is equivalent to a Common Share. All DSUs paid with respect to Annual Base Compensation will be credited to the director by means of an entry in a notional account in their favour on the books of the Company (a "**DSU Account**") when such Annual Base Compensation is payable. The director's DSU Account will be credited with the number of DSUs calculated to the nearest thousandth of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the payment date by the Share Price of a Common Share at the time. Share Price is defined in the DSU Plan and means subject to the exceptions, if any, prescribed by the Exchange from time to time (i) the last closing price of the Company's Shares before the issuance of the Share Units; (ii) if the Company's Shares trade on the CSE or another stock exchange where the majority of the trading volume and value of the shares occurs, the price is calculated based on a reasonable pre-determined formula, which formula is accepted by the Exchange and is based on a volume weighted average trading price or average daily high and low board lot trading price for the five trading days prior to the issuance of the DSUs. In the event that the Shares are not listed and posted for trading on any stock exchange, the Share Price shall be the Share Price as determined by the Board in its discretion, acting reasonably and in good faith. Fractional Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

Additionally, subject to certain participation limits prescribed by the Exchange, the Board may award such number of DSUs to a non-executive director as the Board deems advisable to provide the director with appropriate equity-based compensation for the services he or she renders to the Company. The Board shall determine the date on which such DSUs may be granted and the date as of which such DSUs shall be credited to the director's DSU Account. The

Company and a director who receives such an additional award of DSUs shall enter into a DSU award agreement to evidence the award and the terms applicable thereto.

Generally, a participant in the DSU Plan shall be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the date upon which the non-executive director ceases to hold any position as a director of the Company and its subsidiaries and is no longer otherwise employed by the Company or its subsidiaries, including in the event of death of the participant (the “**Termination Date**”) and ending on the 90th day following the Termination Date. Redemptions under the DSU Plan may be in Shares issued from treasury subject to the Shareholder approval being sought at this Meeting, may be purchased by the Company on the open market for delivery to the director, may be settled in cash or any combination of the foregoing.

#### Maximum Number of Shares Issued

- (a) shall not exceed 10% of the total number of issued and outstanding Shares from time to time, on a non-diluted basis; and
- (b) in combination with the aggregate number of Shares which may be issuable under any and all of the Company’s Security Based Compensation Arrangements, as defined in the DSU Plan, in existence from time to time, shall not exceed 20% of the total number of issued and outstanding Shares from time to time, on a non-diluted basis, or such other number of Shares as shall have been duly approved by the Board, by the Exchange and by the Shareholders.

#### Participation Limits

The number of Shares which may be reserved for issuance under the DSU Plan within any one-year period:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (b) under the DSU Plan and any other of the Company’s Security Based Compensation Arrangements (i) the aggregate number of Shares issued to Insiders, within any one year period; and (ii) the aggregate number of Shares issuable to Insiders at any time, shall not exceed 10% of the issued and outstanding Shares, from time to time.

#### Transferability

No right to receive payment of deferred compensation or retirement awards shall be transferable or assignable by any participant under the DSU Plan except by will or laws of descent and distribution.

#### Amendments to the DSU Plan

Following receipt of the Shareholder approval contemplated hereunder, the Board may at any time, and from time to time, and without shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or stock exchange requirement at the time of such amendment, including, without limitation:

- (a) amendments to the terms and conditions of the DSU Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;
- (b) amendments to the provisions of the DSU Plan respecting administration of the DSU Plan and eligibility for participation under the DSU Plan;
- (c) amendments to the provisions of the DSU Plan respecting the terms and conditions on which DSUs may be granted pursuant to the DSU Plan, including the provisions relating to the payment of the DSUs;
- (d) amendments necessary to suspend or terminate the DSU Plan;
- (e) amendments to the DSU Plan that are of a “housekeeping” nature; and
- (f) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the Exchange;

Provided, however, that no such amendment of the DSU Plan may be made without the consent of each affected participant if such amendment would adversely affect the rights of such affected participant(s) under the DSU Plan.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to approve the DSU Plan:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION, THAT:**

1. that the Deferred Share Unit Plan allowing for the issuance of a maximum of 10% of the total number of issued and outstanding Shares, from time to time, on a non-diluted basis, as described in the Company’s Proxy Circular dated October 6, 2021, be and is hereby approved;
2. the unallocated entitlements are hereby approved and the Company will have the ability to issue Deferred Share Units which may be settled in Shares; and
3. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution.”

**The directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that Shareholders of the Company vote in favor of the resolution.**

The persons named as proxies in the enclosed Proxy intend to cast the votes represented by proxy in favor of the foregoing resolution unless the holder of Shares who has given such proxy has directed that the votes be otherwise cast.

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available at [www.sedar.com](http://www.sedar.com) under the Company’s profile. Shareholders may contact the Company at its head office by mail at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “**MD&A**”). Financial information is provided in the audited financial statements and MD&A for the Company for its years ended April 30, 2021 and April 30, 2020.

### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting included at the beginning of this Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named in the proxy to vote on such matters in accordance with their best judgment.

## **APPROVAL OF THE BOARD OF DIRECTORS**

The Board has authorized and approved the content of this Circular has been approved and the delivery of it to each Shareholder of the Company entitled to receive it and to the appropriate regulatory agencies.

Dated at Vancouver, British Columbia as of the 6th day of October, 2021.

### **ON BEHALF OF THE BOARD**

**Metallica Metals Corp.**

*Signed: "Paul Ténère"*

Paul Ténère  
CEO & Director

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

The Audit Committee's mandate and charter can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board, in good standing, and the majority of the members of the Audit Committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.
3. Review the Audit Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of the management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the Audit Committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review and evaluate the performance of the independent auditors and review with the full Board any proposed discharge of the independent auditors.
8. Review with the management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the management and the independent auditors about significant risks or exposures facing the Company; assess the steps the management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.
11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with the Management's responses thereto.
14. Review with the management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with the management the annual financial reports before they are filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of each alternative and the treatment preferred by the Company.

17. Review all material written communications between the independent auditors and the management.
18. Review with the management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the management encountered during the audit.
19. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
20. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
21. The Audit Committee will perform such other functions as assigned by law, the Company's articles, or the Board.

## SCHEDULE "B"

### RESTRICTED SHARE UNIT PLAN

#### ARTICLE 1 GENERAL PROVISIONS

##### 1.1 Purpose

This Restricted Share Unit Plan is established as a vehicle by which equity-based incentives may be awarded to the employees, consultants and officers of the Company, to recognize and reward their significant contributions to the long-term success of the Company including to align the employees', consultants' and officers' interests more closely with the shareholders of the Company.

##### 1.2 Definitions

As used in the Plan, the following terms have the following meanings:

- (a) **"Blackout Period"** means a period of time imposed by the Company, pursuant to the Company's policies, upon certain designated persons during which those persons may not trade in any securities of the Company;
- (b) **"Board"** means the Board of Directors of the Company;
- (c) **"Business Day"** means any day that is not a Saturday, Sunday or a holiday (as defined in the *Interpretation Act* (Canada)) in Vancouver, British Columbia;
- (d) **"Cash Consideration"** has the meaning ascribed thereto in Section 3.2(b);
- (e) **"Change of Control"** means the occurrence of any of the following events:
  - (i) the acquisition by any persons acting jointly or in concert (as determined in accordance with the *Securities Act* (British Columbia)), whether directly or indirectly, of voting securities of the Company that, together with all other voting securities of the Company held by such persons, constitute in the aggregate more than 50% of all outstanding voting securities of the Company;
  - (ii) an amalgamation, arrangement or other form of business combination of the Company with another company that results in the holders of voting securities of that other company holding, in the aggregate, more than 50% of all outstanding voting securities of the Company resulting from the business combination;

- (iii) the sale, lease or exchange of all or substantially all of the property of the Company to another person, other than in the ordinary course of business of the Company or to a related entity; or
- (iv) any other transaction that is deemed to be a “Change of Control” for the purposes of this Plan by the Board in its sole discretion;
- (f) “**Committee**” means the Compensation Committee of the Board or such other persons designated by the Board to determine the grants of Restricted Share Units and administer this Plan;
- (g) “**Code**” means the United States Internal Revenue Code of 1986, as amended;
- (h) “**Common Share**” means a common share in the capital of the Company;
- (i) “**Company**” means Metallica Metals Corp. and its successors and assigns;
- (j) “**Consultant**” means a “Consultant” or “Consultant Company” as defined in the CSE Policies;
- (k) “**CSE Policies**” means the policies included in the Canadian Securities Exchange Corporate Finance Manual and “**CSE Policy**” means any one of them; and
- (l) “**Disinterested Shareholder**” means a holder of Common Shares that is not an insider (as defined in the *Securities Act* (British Columbia)) nor an associate (as defined in the *Securities Act* (British Columbia)) of an insider;
- (m) “**Dividend**” means a dividend declared and payable on a Common Share in accordance with the Company’s dividend policy as the same may be amended from time to time (an “**Ordinary Dividend**”), and may, in the discretion of the Committee include a special or stock dividend (a “**Special Dividend**”), and may, in the discretion of the Committee, include a Special Dividend declared and payable on a Common Share;
- (n) “**Eligible Person**” means any Employee, Consultant or Officer who is designated as an Eligible Person pursuant to Section 2.1;
- (o) “**Employee**” means an employee of the Company;
- (p) “**Exchange**” means, collectively, the Canadian Securities Exchange, any successor thereto and any other stock exchange or trading facilities through which the Common Shares trade or are quoted from time to time;
- (q) “**Fair Market Value**” means the closing price of the Common Shares on the Exchange on the Business Day immediately prior to the relevant date, or if the Common Shares are not listed on the Exchange, then on such other stock exchange or quotation system as may be selected by the Committee, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Committee in its sole discretion acting in good faith;
- (r) “**Grant Date**” means any date determined from time to time by the Committee as a date on which a grant of Restricted Share Units will be made to one or more Eligible Persons under this Plan;
- (s) “**Investor Relations Activities**” shall have the meaning ascribed to such term in the CSE Policies;
- (t) “**Officer**” means an officer of the Company that has been duly appointed by the Board;

- (u) “**Plan**” means this Restricted Share Unit Plan, as amended from time to time;
- (v) “**Redemption Date**” in respect of any Restricted Share Unit means (i) the date as determined by the Committee in its sole discretion and provided for in the Grant Agreement, or (ii) if no date is set, the third anniversary of the Grant Date on which such Restricted Share Unit was granted to the Eligible Person, unless (iii) Section 3.6, 4.1, 4.2 or 6.2 is applicable, in which case the Redemption Date(s) in respect of such Restricted Share Unit shall be the date(s) established as such in accordance with the applicable Section. Such date shall, in all cases, be in compliance with the requirements pertaining to the exception to the application of the salary deferral arrangement rules in paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the *Income Tax Act* (Canada), as such subsection may be amended or enacted from time to time. For U.S. Taxpayers, except as otherwise set forth in this Plan, the Redemption Date shall be set on the Grant Date and shall not be adjusted;
- (w) “**Reorganization**” means any declaration of any stock dividend (other than a Special Dividend in respect of which the Committee, in its discretion, determines that Eligible Persons are to be paid pursuant to Section 3.5), stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution (other than Ordinary Dividends) of the Company assets to shareholders or any other similar corporate transaction or event which the Board determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Eligible Persons under this Plan;
- (x) “**Restricted Share Unit**” means one notional Common Share (without any of the attendant rights of a shareholder of such Common Share, including, without limitation, the right to vote such Common Share and the right to receive dividends thereon, except to the extent otherwise specifically provided herein) credited by bookkeeping entry to a notional account maintained by the Company in respect of an Eligible Person in accordance with this Plan;
- (y) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;
- (z) “**Subsidiary**” has the meaning set out in the *Securities Act* (British Columbia);
- (aa) “**U.S. Taxpayer**” means an Eligible Person who is at the relevant time subject to Section 409A of the Code.

### **1.3 Effective Date**

The Plan shall be effective September 30, 2021; provided that no Common Shares may be issued under the Plan until and unless all required Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of the Common Shares hereunder.

### **1.4 Governing Law; Subject to Applicable Regulatory Rules**

The Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The provisions of the Plan shall be subject to the applicable by-laws, rules and policies of the Exchange and applicable securities legislation.

**ARTICLE 2**  
**ELIGIBILITY AND PARTICIPATION**

**2.1 Eligibility**

This Plan applies to those Employees, Consultants and Officers whom the Committee designates as eligible for a grant of Restricted Share Units pursuant to Section 3.1. The Committee shall make such a designation prior to each Grant Date.

**2.2 Rights Under the Plan**

Subject to Article 4 and Article 5, an Eligible Person who has been granted Restricted Share Units shall continue to have rights in respect of such Restricted Share Units until such Restricted Share Units have been redeemed for Common Shares and/or Cash Consideration, as applicable, in accordance with this Plan.

**2.3 Copy of the Plan**

The Company shall provide each Eligible Person with a copy of this Plan following the initial grant of Restricted Share Units to such Eligible Person and shall provide each Eligible Person with a copy of all amendments to this Plan.

**2.4 Limitation on Rights**

Nothing in this Plan shall confer on any Employee, Consultant or Officer any right to be designated as an Eligible Person or to be granted any Restricted Share Units. There is no obligation for uniformity of treatment of Eligible Persons or any group of Employees, Consultants Officers or Eligible Persons, whether based on salary or compensation, grade or level or organizational position or level or otherwise. A grant of Restricted Share Units to an Eligible Person on one or more Grant Dates shall not be construed to create a right to a grant of Restricted Share Units on a subsequent Grant Date.

**2.5 Grant Agreements**

Each grant of Restricted Share Units shall be evidenced by a written agreement (a “**Grant Agreement**”) executed by the Eligible Person in substantially the form appended as Schedule A hereto. An Eligible Person will not be entitled to any grant of Restricted Share Units or any benefit of this Plan unless the Eligible Person agrees with the Company to be bound by the provisions of this Plan. By entering into an agreement described in this Section 2.5, each Eligible Person shall be deemed conclusively to have accepted and consented to all terms of this Plan and all bona fide actions or decisions made by the Committee. Such terms and consent shall also apply to and be binding on the legal representative, beneficiaries, heirs and successors of each Eligible Person.

**2.6 Participation Limits**

- (a) The number of Common Shares which may be reserved for issuance under the Plan shall not exceed 10% of the issued Common Shares, from time to time, subject to adjustment in accordance with Section 3.6 or such greater number of Common Shares as shall have been duly approved by the Board and, if required by the CSE Policies or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.
- (b) The number of Common Shares which may be reserved for issuance under the Plan, in combination with the aggregate number of Common Shares which may be issuable under any other Share Compensation Arrangement, including the Company’s stock option plan and deferred share unit plan, shall not exceed 20% of the total number of issued and outstanding Common Shares from time to time, on a non- diluted basis, or such greater number of Common Shares as shall have been duly approved by the Board and, if required, by the CSE Policies (if applicable) or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.

- (c) If and for so long as the Company's Common Shares are listed on the Exchange, the number of Common Shares which may be issuable under the Plan and any other Share Compensation Arrangement, within any one-year period:
  - (i) to any one Eligible Person, shall not exceed 5% of the total number of issued and outstanding Common Shares on the Grant Date on a non-diluted basis;
  - (ii) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on the Grant Date on a non-diluted basis; and
  - (iii) to any one Consultant, shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis.
- (d) If and for so long as the Company's Common Shares are listed on the Exchange, no Common Shares shall be issuable under the Plan to any Eligible Person whose role and duties primarily consist of Investor Relations Activities.

### **2.7 No Fractional Shares**

No fractional Common Shares may be issued under the Plan. In the event the number of Common Shares to be issued upon the redemption of Restricted Share Units is a fraction, the respective Eligible Person will receive the next lowest whole number of Common Shares and will not receive any other form of compensation (cash or otherwise) for the fractional interest.

## **ARTICLE 3 RESTRICTED SHARE UNITS**

### **3.1 Grant of Restricted Share Units**

On each Grant Date, the Committee shall designate Eligible Persons and determine the number of Restricted Share Units to be granted to each Eligible Person in the Committee's sole discretion. Concurrent with the determination to grant Restricted Share Units to an Eligible Person, the Committee shall determine the Redemption Date applicable to such Restricted Share Units. In addition, the Committee may, at its sole discretion, at the time of the grant of Restricted Share Units, make such Restricted Share Units subject to performance conditions to be achieved by the Company, the Eligible Person or a class of Eligible Persons, prior to the Redemption Date, for such Restricted Share Units to entitle the holder thereof to receive the Common Shares or cash thereunder.

### **3.2 Redemption of Restricted Share Units**

Unless redeemed earlier in accordance with this Plan, the Restricted Share Units of each Eligible Person will be redeemed on or about (but not later than 30 days following) each applicable Redemption Date, and the Eligible Person will be entitled to receive and the Company will issue and/or pay to the Eligible Person, as applicable:

- (a) a number of Common Shares equal to the number of Restricted Share Units (net of any applicable statutory withholdings) that have vested on the Redemption Date(s);
- (b) a cash amount, payable by way of certified cheque, bank draft, wire transfer or such other means as the Committee may determine in its sole discretion, equal to the number of Common Shares set out in subsection (a) above multiplied by the Fair Market Value on the applicable Redemption Date (the "**Cash Consideration**") (net of any applicable statutory withholdings); or
- (c) a combination of (a) and (b),

as determined by the Committee in its sole discretion.

### **3.3      *Blackout Period***

In the event the Redemption Date, determined in accordance with the Plan occurs during a Blackout Period applicable to the relevant Eligible Person, then the Redemption Date, as applicable, shall be the date that is the tenth Business Day after the expiry of the Blackout Period; provided, however, that in the case of a U.S. Taxpayer, the change in the Redemption Date does not violate Section 409A of the Code.

### **3.4      *Withholding Taxes***

The Company may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Common Share and/or Cash Consideration including, without limiting the generality of the foregoing, the withholding of the issue of Common Shares and/or the withholding of all or any portion of any payment of the Cash Consideration, as applicable, to be issued and/or paid under the Plan, until such time as the Eligible Person has paid the Company for any amount which the Company is required to withhold with respect to such taxes or other amounts. Without limitation to the foregoing, the Committee may, if applicable, adopt administrative rules under the Plan which provide for the sale of Common Shares (or a portion thereof) in the market upon the issuance of such Common Shares under the provisions of the Plan to satisfy withholding obligations under the Plan.

### **3.5      *Payment of Dividend Equivalents***

When Dividends are paid on Common Shares, an Eligible Person shall be credited with Dividend equivalents in respect of the Restricted Share Units credited to the Eligible Person's account as of the record date for payment of Dividends and no payment in cash should be made to any Eligible Person with respect to such Dividend equivalent. Such Dividend equivalents shall be converted into additional Restricted Share Units (including fractional Restricted Share Units) based on the Fair Market Value per Common Share on the date credited and redeemed on the Redemption Date, of the Restricted Share Unit with respect to which the Dividend equivalent was granted.

### **3.6      *Adjustments***

If any change occurs in the outstanding Common Shares by reason of a Reorganization, the Committee, in its sole discretion, and without liability to any person, shall make such equitable changes or adjustments, if any, as it considers appropriate, in such manner as the Committee may consider equitable, to reflect such change or event including, without limitation, adjusting the number of Restricted Share Units credited to Eligible Persons and outstanding under the Plan, provided that any such adjustment will not otherwise extend the Redemption Date otherwise applicable. The Company shall give notice to each Eligible Person of any adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes. The existence of outstanding Restricted Share Units shall not affect in any way the right or power and authority of the Company or its shareholders to make or authorize any alteration, recapitalization, reorganization or any other change in the Company's capital structure or its business or any merger or consolidation of the Company, any issue of bonds, debentures or preferred or preference shares (ranking ahead of the Common Shares or otherwise) or any right thereto, or the dissolution or liquidation of the Company, any sale or transfer of all or any part of its assets or business or any corporate act or proceeding whether of a similar character or otherwise.

### **3.7      *Offer of Common Shares - Change of Control***

Notwithstanding anything else herein to the contrary, subject to prior approval of the Exchange if required, in the event of a Change of Control, then the Redemption Date shall be deemed to be the date on which the Change of Control occurs, and all Restricted Share Units granted to the Eligible Persons and outstanding under the Plan shall immediately vest and be paid out in accordance with Section 3.2.

**ARTICLE 4**  
**EVENTS AFFECTING ENTITLEMENT**

**4.1 Termination of Employment**

- (a) **Voluntary Termination or Termination for Cause.** If an Eligible Person is terminated by the Company for cause (as determined by the Company), or if an Eligible Person, voluntarily terminates employment for any reason prior to a Redemption Date, all of the Eligible Person's Restricted Share Units shall be cancelled and no amount shall be paid by the Company to the Eligible Person in respect of the Restricted Share Units so cancelled.
- (b) **Involuntary Termination.** The Restricted Share Units of an Eligible Person which have vested who is involuntarily terminated by the Company, for reasons other than cause, shall be redeemed on the Redemption Date for an equal number of Common Shares, Cash Consideration in lieu thereof or a combination of both, as determined by the Committee in its sole discretion. For the purposes of this Section 4.1(b), the Redemption Date shall be the date on which the employment of the Eligible Person is terminated as stated in a written notice of termination, irrespective of any entitlement of the Eligible Person to notice, pay in lieu of notice or benefits beyond the termination date.

For purposes of Section 4.1, a U.S. Taxpayer shall be treated as terminated when such person incurs a "separation from service" within the meaning of Section 409A of the Code and United States Treasury Regulation Section 1.409A-1(h) ("**Separation from Service**"). Solely to the extent required by Section 409A of the Code, any payment in respect of Restricted Share Units which has become payable on or following a Separation from Service to any U.S. Taxpayer who is determined to be a "specified employee," under Section 409A(a)(2)(B)(i) of the Code and United States Treasury Regulation Section 1.409A-1(i), shall not be paid before the date that is six months after such U.S. Taxpayer's Separation from Service (or, if earlier, the date of the death of such U.S. Taxpayer). Following any applicable six-month delay of payment, all such delayed payments shall be made to the U.S. Taxpayer in a single lump sum on the earliest possible date.

**4.2 Death**

All of the Restricted Share Units of an Eligible Person who dies shall be redeemed in accordance with Section 3.2. For the purposes of the foregoing, the Redemption Date shall be the date of the Eligible Person's death.

**4.3 No Grants Following Last Day of Active Employment**

In the event of termination of any Eligible Person's employment with the Company, such Eligible Person shall not be granted any Restricted Share Units pursuant to Section 3.1 after the last day of active employment of such Eligible Person. Without limiting the generality of the foregoing and of Section 2.4, notwithstanding any other provision hereof, and notwithstanding any provision of any employment agreement between any Eligible Person and the Company, no Eligible Person will have any right to be awarded additional Restricted Share Units, and shall not be awarded any Restricted Share Units, pursuant to Section 3.1 after the last day of active employment of such Eligible Person on which such Eligible Person actually performs the duties of the Eligible Person's position, whether or not such Eligible Person receives a lump sum payment of salary or other compensation in lieu of notice of termination, or continues to receive payment of salary, benefits or other remuneration for any period following such last day of active employment. Notwithstanding any other provision hereof, or any provision of any employment agreement between the Company and an Eligible Person, in no event will any Eligible Person have any right to damages in respect of any loss of any right to be awarded Restricted Share Units pursuant to Section 3.1 after the last day of active employment of such Eligible Person and no severance allowance, or termination settlement of any kind in respect of any Eligible Person will include or reflect any claim for such loss of right and no Eligible Person will have any right to assert, claim, seek or obtain, and shall not assert, claim, seek or obtain, any judgment or award in respect of or which includes or reflects any such right or claim for such loss of right.

## **ARTICLE 5 ADMINISTRATION**

### **5.1      *Transferability***

Rights respecting Restricted Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

### **5.2      *Administration***

The Committee shall, in its sole and absolute discretion, but subject to applicable corporate, securities and tax law requirements: (i) interpret and administer the Plan; (ii) establish, amend and rescind any rules and regulations relating to the Plan; and (iii) make any other determinations that the Committee deems necessary or desirable for the administration and operation of the Plan. The Committee may delegate to any person any administrative duties and powers under this Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Eligible Person and his or her legal representative. The Board may establish policies respecting minimum ownership of Common Shares of the Company by Eligible Persons and the ability to elect Restricted Share Units to satisfy any such policy.

It is intended that this Plan and grants of Restricted Share Units hereunder will comply with or be exempt from Section 409A of the Code (and any regulations and guidelines issued thereunder), to the extent this Plan and such agreements are subject thereto, and this Plan and the Grant Agreements shall be interpreted on a basis consistent with such intent. Each amount to be paid under the Plan shall be construed as a separate identified payment for the purposes of Section 409A of the Code. If an amendment of this Plan and such agreements is necessary in order for it to comply with Section 409A of the Code, the Board will adopt any such amendment in a manner that preserves the original intent of the parties to the extent reasonably possible. No action or failure to act by the Board shall subject the Company to any claim, liability, or expense, and the Company shall not have any obligation to indemnify or otherwise protect any person from the obligation to pay any taxes, interest or penalties pursuant to Section 409A of the Code.

### **5.3      *Records***

The Company will maintain records indicating the number of Restricted Share Units credited to an Eligible Person under the Plan from time to time and the Grant Dates of such Restricted Share Units. Such records shall be conclusive as to all matters involved in the administration of this Plan.

### **5.4      *Statements***

The Company shall furnish annual statements to each Eligible Person indicating the number of Restricted Share Units credited to the Eligible Person and the Grant Dates of the Restricted Share Units and such other information that the Company considers relevant to the Eligible Person.

### **5.5      *Legal Compliance***

Without limiting the generality of the foregoing, the Committee may take such steps and require such documentation from Eligible Persons as the Committee may determine are desirable to ensure compliance with all applicable laws and legal requirements, including all applicable corporate and securities laws and regulations of any country, and any political subdivisions thereof, and the by-laws, rules and regulations of any stock exchanges or other organized market on which Common Shares may from time to time be listed or posted and any applicable provisions of the *Income Tax Act* (Canada), as amended or income tax legislation or any other jurisdiction.

**ARTICLE 6  
AMENDMENT AND TERMINATION**

**6.1 Amendment**

- (a) The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Plan or any portion thereof at any time, in accordance with applicable legislation, provided that no such amendment, suspension or termination may (i) be made without obtaining any required regulatory or shareholder approvals, or (ii) adversely affect the rights of any Eligible Person with respect to the Restricted Share Units to which the Eligible Person is then entitled under the Plan without the consent of the Eligible Person. Notwithstanding the foregoing, the Company will be required to obtain shareholder approval or, if required under the CSE Policies, Disinterested Shareholder and Exchange approval, for any amendment related to:
  - (i) increasing the number or percentage of issued and outstanding Common Shares available for grant under the Plan;
  - (ii) a change in the method of calculation of redemption of Restricted Share Units held by Eligible Persons;
  - (iii) an extension to the term for redemption of Restricted Share Units held by Eligible Persons;
  - (iv) permitting the Restricted Share Units granted under this Plan to be transferrable or assignable other than for normal estate settlement purposes; and
  - (v) amending this Section 6.1.
- (b) Unless an Eligible Person otherwise agrees, any amendment to the Plan or Restricted Share Unit shall apply only in respect of Restricted Share Units granted on or after the date of such amendment.
- (c) Without limiting the generality of the foregoing, the Board may make the following amendments to the Plan, without obtaining shareholder approval:
  - (i) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;
  - (ii) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;
  - (iii) amendments to the provisions of the Plan respecting the terms and conditions on which Restricted Share Units may be granted pursuant to the Plan, including the provisions relating to the payment of the Restricted Share Units;
  - (iv) amendments to the Plan that are of a “housekeeping” nature; and
  - (v) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable rules of the Exchange,

provided, however, that no such amendment of the Plan may be made without the consent of each affected Eligible Person in the Plan if such amendment would adversely affect the rights of such affected Eligible Person(s) under the Plan.

## **6.2      *Termination of the Plan***

The Board may from time to time amend or suspend this Plan in whole or in part and may at any time terminate this Plan. No such amendment, suspension or termination shall adversely affect the rights of any Eligible Person at the time of such amendment, suspension or termination with respect to outstanding and unredeemed Restricted Share Units credited to such Eligible Person without the consent of the affected Eligible Person. If the Board terminates the Plan, no new Restricted Share Units will be awarded to any Eligible Person, but outstanding and unredeemed previously credited Restricted Share Units shall remain outstanding, be entitled to payments as provided under Section 3.5, and be paid in accordance with the terms and conditions of this Plan existing at the time of termination. This Plan will finally cease to operate for all purposes when the last remaining Eligible Person receives a payment in satisfaction of all outstanding and unredeemed Restricted Share Units credited to such Eligible Person, or all outstanding and unredeemed Restricted Share Units credited to such Eligible Person are cancelled pursuant to the provisions thereof.

## **ARTICLE 7 GENERAL**

### **7.1      *Rights to Common Shares and/or Cash Consideration***

This Plan shall not be interpreted to create any entitlement of any Eligible Person to any Common Shares, or to the dividends payable pursuant thereto, or to any Cash Consideration, as applicable, except as expressly provided herein. A holder of Restricted Share Units shall not have rights as a shareholder of the Company with respect to any Common Shares which may be issuable pursuant to the Restricted Share Units so held, whether voting, right on liquidation or otherwise.

### **7.2      *No Right to Employment***

This Plan shall not be interpreted as either an employment or trust agreement. Nothing in this Plan nor any Committee guidelines or any agreement referred to in Section 2.5 nor any action taken hereunder shall be construed as giving any Eligible Person the right to be retained in the continued employ or service of the Company or any of its subsidiaries, or giving any Eligible Person or any other person the right to receive any benefits not specifically expressly provided in this Plan nor shall it interfere in any way with any other right of the Company to terminate the employment or service of any Eligible Person at any time.

### **7.3      *Right to Funds***

Neither the establishment of this Plan nor the granting of Restricted Share Units under this Plan shall be deemed to create a trust. Amounts payable to any Eligible Person under the Plan shall be a general, unsecured obligation of the Company. The right of the Employees, Consultants or Officers to receive payment pursuant to this Plan shall be no greater than the right of other unsecured creditors of the Company.

**Schedule A  
Metallica Metals Corp.  
Restricted Share Unit Plan (the "Plan")**

**RESTRICTED SHARE UNIT GRANT AGREEMENT**

This Restricted Share Unit Grant Agreement is made the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between \_\_\_\_\_, the undersigned "Eligible Person" (the "Eligible Person"), being an employee, consultant or officer of Metallica Metals Corp. (the "Company") or a subsidiary thereof, name or designated pursuant to the terms of the Restricted Share Unit Plan of the Company (which Plan, as the same may from time to time be modified, supplemented or amended and in effect, is herein referred to as the "Plan"), and the Company.

In consideration of the grant of Restricted Share Units made to the Eligible Person pursuant to the Plan (the receipt and sufficiency of which are hereby acknowledged), the Eligible Person hereby agrees and confirms that:

1. The Eligible Person has received a copy of the Plan and has read, understands and agrees to be bound by the provisions of the Plan.
2. The Eligible Person accepts and consents to and shall be deemed conclusively to have accepted and consented to, and agreed to be bound by, the provisions and all terms of the Plan and all bona fide actions or decisions made by the Board, the Committee or any person to whom the Committee may delegate administrative duties and powers in relation to the Plan, which terms and consent shall also apply to and be binding on the legal representatives, beneficiaries and successors of the undersigned.
3. On \_\_\_\_\_, 20\_\_, the Eligible Person was granted \_\_\_\_\_ Restricted Share Units, which grant is evidenced by this Agreement.
4. Except otherwise set forth in the Plan, the Redemption Date(s) for the Restricted Share Units is/are as follows:  
  
\_\_\_\_\_
5. The Restricted Share Units, which grant is evidenced by this Agreement, are also subject to the terms and conditions contained in the appendixes, if any, attached hereto.
6. This Restricted Share Unit Grant Agreement shall be considered as part of and an amendment to any employment agreement between the Eligible Person and the Company and the Eligible Person hereby agrees that the Eligible Person will not make any claim under that employment agreement for any rights or entitlement under the Plan or damages in lieu thereof except as expressly provided in the Plan.

This Agreement shall be determined in accordance with the laws of the province of British Columbia and the laws of Canada applicable therein. Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

**METALLICA METALS CORP.**

**ELIGIBLE PERSON**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Print Name:

**APPENDIX A-1 to APPENDIX A**

**RESTRICTED SHARE UNIT AGREEMENT**

The additional terms and conditions attached to the Restricted Share Units, which grant is evidenced by this Agreement, are as follows:

1. [•]

**METALLICA METALS CORP.**

**ELIGIBLE PERSON**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_   
Print Name:

**SCHEDULE “C”  
DEFERRED SHARE UNIT PLAN**

**ARTICLE 1  
GENERAL PROVISIONS**

**1.1 Purpose**

This Deferred Share Unit Plan has been established by the Company to promote the interests of the Company by attracting and retaining qualified persons to serve on the Board and to promote a greater alignment of long term interests between such Participants and the shareholders of the Company.

**1.2 Definitions**

As used in the Plan, the following terms have the following meanings:

- (a) “**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Deferred Share Units, in accordance with the terms of the Plan;
- (b) “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder and CSE Policies;
- (c) “**Board**” means the Board of Directors of the Company;
- (d) “**Business Day**” means any day that is not a Saturday, Sunday or a holiday (as defined in the *Interpretation Act* (Canada)) in Vancouver, British Columbia;
- (e) “**Code**” means the United States Internal Revenue Code of 1986, as amended, and any applicable Treasury Regulations and other binding regulatory guidance thereunder;
- (f) “**Committee**” means the Compensation Committee of the Board or any other committee or person designated by the Board to administer the Plan;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Metallica Metals Corp. and its successors and assigns;
- (i) “**Director**” means a director of the Company;
- (j) “**Disinterested Shareholder**” means a holder of Common Shares that is not an insider (as defined in the *Securities Act* (British Columbia)) nor an associate (as defined in the *Securities Act* (British Columbia)) of an insider;
- (k) “**Dividend**” means an Ordinary Dividend, and may, in the discretion of the Board, include a special or stock dividend, and may, in the discretion of the Board, include a Special Dividend declared and payable on a Common Share;
- (l) “**Deferred Share Unit**” means a unit credited to a Participant’s Account by way of a bookkeeping entry in the books of the Company pursuant to this Plan, the value of which is equivalent in value to a Common Share;

- (m) “**Exchange**” means, collectively, the Canadian Securities Exchange, any successor thereto and any other stock exchange or trading facilities through which the Common Shares trade or are quoted from time to time;
- (n) “**Exchange Hold Period**” has the meaning ascribed thereto in CSE Policy 6;
- (o) “**Fair Market Value**” means the closing price of the Common Shares on the Exchange on the Business Day immediately prior to the relevant date, or if the Common Shares are not listed on the Exchange, then on such other stock exchange or quotation system as may be selected by the Committee, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Committee in its sole discretion acting in good faith;
- (p) “**Fiscal Quarter**” means each three-month period ending on March 31, June 30, September 30, or December 31, respectively, unless otherwise designated by the Board;
- (q) “**Grant**” means any Deferred Share Unit credited to the Account of a Participant;
- (r) “**Grant Agreement**” means an agreement between the Company and the Participant under which Deferred Share Units are granted, together with such amendments, deletions, or changes thereto as are permitted under the Plan in the form appended as Schedule A hereto;
- (s) “**Insider**” has the meaning ascribed thereto on section 1 of the Securities Act, R.S.O. 1990 c.S.F as amended from time to time;
- (t) “**Notice of Redemption**” means written notice, on a prescribed form, by the Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant’s wish to redeem his or her Deferred Share Units;
- (u) “**Ordinary Dividend**” means a dividend declared and payable on a Common Share in accordance with the Company’s dividend policy as the same may be amended from time to time;
- (v) “**Participant**” means a Director who (i) is not otherwise an employee of the Company and (ii) is designated by the Committee as eligible to participate in the Plan;
- (w) “**Plan**” means this Metallica Metals Corp. Deferred Share Unit Plan;
- (x) “**Redemption Date**” means the date that a Notice of Redemption is received by the Company, except with respect to any US Taxpayer, it shall mean the date set forth in the Grant Agreement;
- (y) “**Reorganization**” means any declaration of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution (other than Ordinary Dividends) of the Company assets to shareholders or any other similar corporate transaction or event which the Board determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Participants under this Plan;
- (z) “**Separation From Service**” shall mean that employment or service with the Company and any entity that is to be treated as a single employer with the Company for purposes of United States Treasury Regulation Section 1.409A – 1(h) terminates such that it is reasonably anticipated that no further services will be performed.
- (aa) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance

or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;

- (bb) “**Share Price**” means the closing price of a Common Share on the Exchange averaged over the five (5) consecutive trading days immediately preceding (a) in the case of a Grant, the date of Grant in respect of a director, or (b) in the case of a redemption, the Redemption Date, as applicable, or in the event such Common Shares are not traded on the Exchange, the fair market value of such Common Shares as determined by the Committee acting in good faith;
- (cc) “**Specified Employee**” means a US Taxpayer who meets the definition of “specified employee”, as defined in Section 409A(a)(2)(B)(i) of the Code.
- (dd) “**Termination Date**” means the date of a Participant’s death, or retirement from, or loss of office or employment with the Company, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, including the Participant’s resignation, retirement, death or otherwise;
- (ee) “**CSE Policies**” means the policies included in the Canadian Securities Exchange Corporate Finance Manual and “**CSE Policy**” means any one of them; and
- (ff) “**US Taxpayer**” means any Participant whose compensation under the Plan would be subject to income tax under the Code.

### **1.3 Effective Date**

The Plan shall be effective September 30, 2021; provided that no Common Shares may be issued under the Plan until and unless all required Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of Common Shares hereunder.

### **1.4 Governing Law; Subject to Applicable Regulatory Rules**

The Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The provisions of the Plan shall be subject to the applicable by-laws, rules and policies of the Exchange and applicable securities legislation.

## **ARTICLE 2 DEFERRED SHARE UNITS**

### **2.1 Establishment of Annual Base Compensation**

An annual compensation amount (the "**Annual Base Compensation**") payable to non-employee Directors of the Company shall be established from time-to-time by the Board. The amount of Annual Base Compensation will be reported annually in the Company’s management information circular.

### **2.2 Payment of Annual Base Compensation**

- (a) The Annual Base Compensation shall be payable in quarterly installments, with each installment payable as promptly as practicable following the last Business Day of the Fiscal Quarter to which it applies. Quarterly payments shall be pro-rated if Board service commences or terminates during a Fiscal Quarter. The number of Deferred Share Units to be paid and the terms of the Deferred Share Units shall be determined as provided in the following sections of this Plan.
- (b) Each Participant that is not a U.S Taxpayer may elect to receive in Deferred Share Units up to 100% of his or her Annual Base Compensation by completing and delivering a written election

to the Company in the form attached hereto as Schedule “B” on or before the last day of the Fiscal Quarter ending immediately before the Fiscal Quarter with respect to which the election is made. Such election will be effective with respect to compensation payable for the Fiscal Quarter following the Fiscal Quarter in which such written election is made. Further, where an individual becomes a Participant for the first time during a Fiscal Quarter or where any Participant is serving as a Director in the first Fiscal Quarter in which the Plan is adopted, such individual may elect to participate in the Plan with respect to the Fiscal Quarter of the Company commencing after the Company receives such individual’s written election. For greater certainty, new Participants will not be entitled to receive Deferred Share Units pursuant to an election for the Fiscal Quarter in which they submit their first election to the Company or any previous Fiscal Quarter. Elections under this Section 2.2(b) shall be irrevocable with respect to compensation earned during the period to which such election relates and for the avoidance of doubt, may not be revoked or changed later than the last day of the prior Fiscal Quarter.

- (c) All Deferred Share Units granted with respect to Annual Base Compensation will be credited to the Participant's Account when such Annual Base Compensation is payable (the “**Grant Date**”).
- (d) The Participant's Account will be credited with the number of Deferred Share Units calculated to the nearest thousandths of a Deferred Share Unit, determined by dividing the dollar amount of compensation payable in Deferred Share Units on the Grant Date by the Share Price. Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

### **2.3 Additional Deferred Share Units**

In addition to Deferred Share Units granted pursuant to Section 2.2, and subject to the limitations set out in Article 6, the Board may award such number of Deferred Share Units to a Participant as the Board deems advisable to provide the Participant with appropriate equity-based compensation for the services he or she renders to the Company. The Board shall determine the date on which such Deferred Share Units may be granted and the date as of which such Deferred Share Units shall be credited to a Participant’s Account. The Company and a Participant who receives an award of Deferred Share Units pursuant to this Section 2.3 shall enter into a Grant Agreement to evidence the award and the terms applicable thereto.

## **ARTICLE 3 ADMINISTRATION**

### **3.1 Transferability**

Rights respecting Deferred Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

### **3.2 Administration of Plan**

Except as required to ensure that the Plan continues to meet the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, the Committee shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:

- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan and to amend and rescind such rules and regulations from time to time;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any such interpretation, construction or determination made by the Committee shall be final, binding and conclusive for all purposes;

- (c) to prescribe the form of the instruments used in conjunction with the Plan; and
- (d) to determine which members of the Board are eligible to participate in the Plan.

### **3.3 Redemption of Deferred Share Units (other than US Taxpayers)**

- (a) Each Participant shall be entitled to redeem his or her Deferred Share Units during the period commencing on the Business Day immediately following the Termination Date and ending on the 90th day following the Termination Date by providing a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the legal representative of the Participant.
- (b) Upon redemption, the Participant shall be entitled to receive, and the Company shall issue or provide:
  - (i) subject to shareholder approval of this Plan and the limitations set forth in Article 6 below, a number of Common Shares issued from treasury equal to the number of Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
  - (ii) subject to and in accordance with any Applicable Law, a number of Common Shares purchased by an independent administrator of the Plan (if and when an independent administrator is so engaged by the Company) in the open market for the purposes of providing Common Shares to Participants under the Plan equal in number to the Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
  - (iii) the payment of a cash amount to a Participant equal to the number of Deferred Share Units multiplied by the Share Price, subject to any applicable deductions and withholdings; or
  - (iv) any combination of the foregoing,as determined by the Committee, in its sole discretion.

### **3.4 Payment Notwithstanding**

Notwithstanding any other provision of this Plan, all amounts payable to, or in respect of, a Participant hereunder shall be paid on or before December 31 of the calendar year commencing immediately after the Participant's Termination Date.

### **3.5 Exchange Hold Period and Legend**

If required by the policies of the Exchange, the certificates representing Common Shares issued upon the redemption of Deferred Share Units (if redeemed prior to the expiry of the Exchange Hold Period) will bear the following Exchange Hold Period legend:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES SHALL NOT TRADE THE SECURITIES BEFORE [insert date that is four months and a day after the distribution date].”

**ARTICLE 4  
DIVIDENDS**

**4.1     *Payment of Dividend Equivalents***

When Dividends are paid on Common Shares, a Participant shall be credited with Dividend equivalents in respect of the Deferred Share Units credited to the Participant's account as of the record date for payment of Dividends and no payment in cash should be made to any Participant with respect to such Dividend equivalent. Such Dividend equivalents shall be converted into additional Deferred Share Units (including fractional Deferred Share Units) based on the Fair Market Value per Common Share on the date credited and redeemed on the Redemption Date, of the Deferred Share Unit with respect to which the Dividend equivalent was granted.

**ARTICLE 5  
ALTERATION OF NUMBER OF SHARES SUBJECT TO THE PLAN**

**5.1     *Subdivisions or Consolidations***

In the event that the Common Shares shall be subdivided or consolidated into a different number of Common Shares or a distribution shall be declared upon the Common Shares payable in Common Shares, the number of Deferred Share Units then recorded in the Participant's Account shall be adjusted by replacing such number by a number equal to the number of Common Shares which would be held by the Participant immediately after the distribution, subdivision or consolidation, should the Participant have held a number of Common Shares equal to the number of Deferred Share Units recorded in the Participant's Account on the record date fixed for such distribution, subdivision or consolidation.

**5.2     *Reorganizations***

In the event there shall be any change, other than as specified in Section 5.1, in the number or kind of outstanding Common Shares or of any shares or other securities into which such Common Shares shall have been changed or for which they shall have been exchanged, pursuant to a Reorganization or otherwise, then there shall be substituted for each Common Share referred to in the Plan or for each share into which such Common Share shall have been so changed or exchanged, the kind of securities into which each outstanding Common Share shall be so changed or exchanged and an equitable adjustment shall be made, if required, in the number of Deferred Share Units then recorded in the Participant's Account, such adjustment, if any, to be reasonably determined by the Committee and to be effective and binding for all purposes.

**5.3     *Adjustments***

In the case of any such substitution, change or adjustment as provided for in this Article 5, the variation shall generally require that the number of Deferred Share Units then recorded in the Participant's Account prior to such substitution, change or adjustment will be proportionately and appropriately varied.

**ARTICLE 6  
RESTRICTIONS ON ISSUANCES**

**6.1     *Maximum Number of Deferred Share Units***

Deferred Share Units may be granted by the Company in accordance with this Plan, provided the maximum number of Common Shares which may be issued from treasury in connection with the redemption of Deferred Share Units:

- (a) shall be 10% of the issued Common Shares from time to time, or such greater number as may be approved from time to time by the Company's shareholders; and

- (b) in combination with the aggregate number of Common Shares which may be issuable under any other Share Compensation Arrangement, including the Company's stock option plan and restricted share unit plan, shall not exceed 20% of the total number of issued and outstanding Common Shares from time to time, on a non-diluted basis, or such greater number of Common Shares as shall have been duly approved by the Board and, if required, by the CSE Policies (if applicable) or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.

## **6.2 Participation Limits**

If and for so long as the Company's Common Shares are listed on the Exchange: (i) no Common Shares may be issuable to any Participant whose role and duties primarily consist of Investor Relations Activities (as defined in the CSE Policies); and (ii) the number of Common Shares which may be issuable under the Plan and any other Share Compensation Arrangement, within any one-year period:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis; and
- (b) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis.

## **ARTICLE 7 AMENDMENT, SUSPENSION OR TERMINATION**

### **7.1 Amendments Requiring Shareholder Approval**

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Plan or any portion thereof at any time, in accordance with Applicable Law, provided that no such amendment, suspension or termination may (i) be made without obtaining any Exchange or shareholder approvals, or (ii) adversely affect the rights of any Participant with respect to the Deferred Share Units to which the Participant is then entitled under the Plan without the consent of the Participant. Notwithstanding the foregoing, the Company will be required to obtain shareholder approval or, if required under the CSE Policies, Disinterested Shareholder and Exchange approval, for any amendment related to:

- (a) increasing the number or percentage of issued and outstanding Common Shares available for grant under the Plan;
- (b) a change in the method of calculation of redemption of Deferred Share Units held by Participants;
- (c) an extension to the term for redemption of Deferred Share Units held by Participants;
- (d) permitting the Deferred Share Units granted under this Plan to be transferrable or assignable other than for normal estate settlement purposes; and
- (e) amending this Section 7.1.

### **7.2 Amendments Not Requiring Shareholder Approval**

Without limiting the generality of the foregoing, unless otherwise required by the CSE Policies, the Board may make the following amendments to the Plan, without obtaining shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;

- (b) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;
- (c) amendments to the provisions of the Plan respecting the terms and conditions on which Deferred Share Units may be granted pursuant to the Plan, including the provisions relating to the payment of the Deferred Share Units;
- (d) amendments to the Plan that are of a “housekeeping” nature; and
- (e) any other amendments, fundamental or otherwise, not requiring shareholder approval under Applicable Laws or applicable rules of the Exchange.

provided, however, that no such amendment of the Plan may be made without the consent of each affected Participant in the Plan if such amendment would adversely affect the rights of such affected Participant(s) under the Plan.

### **7.3 Amendments Require Approval of the Exchange**

All amendments to this Plan require prior approval of the Exchange.

### **7.4 Tax Matters**

Notwithstanding any other provision of the Plan, any amendment of the Plan or interpretation thereof shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision.

### **7.5 Termination of the Plan**

The Committee may decide to discontinue granting awards under the Plan at any time in which case no further Deferred Share Units shall be awarded or credited under the Plan. Any Deferred Share Units which remain outstanding in a Participant’s Account at that time shall continue to be dealt with according to the terms of the Plan. The Plan shall terminate when all payments owing pursuant to Section 3.3 of the Plan have been made and all Deferred Share Units have been cancelled in all Participants’ Accounts. Notwithstanding the foregoing, termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under *the Income Tax Act* (Canada) or any successor to such provision.

## **ARTICLE 8 GENERAL**

### **8.1 Withholding**

The Company may withhold from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary so as to ensure that the Company will be able to comply with the provisions of any Applicable Law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of a Participant. For greater certainty, if a Participant is or becomes subject to tax in more than one jurisdiction, the Company may be required to withhold or account for taxes in more than one jurisdiction. The Company shall also have the right in its discretion to satisfy any such withholding tax liability by, among other things, requiring the Participant to remit such amounts to the Company, or by retaining, acquiring or selling on behalf of a Participant any Common Shares which would otherwise be issued or provided to a Participant hereunder.

Notwithstanding any provision in this Plan, the ultimate liability for all taxes legally payable by a Participant is and remains the Participant’s responsibility, and such tax liability may exceed the amount actually withheld by the Company. The Company (a) makes no representations or undertakings regarding the treatment of any taxes under

Applicable Laws in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate a Participant's liability for taxes or achieve any particular tax result under any Applicable Law.

## **8.2 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company.

## **8.3 Legal Compliance**

The Company's grant of any Deferred Share Units or issuance of any Common Shares hereunder is subject to compliance with Applicable Law applicable thereto. As a condition of participating in the Plan, each Participant agrees to comply with all Applicable Law and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with Applicable Law.

## **8.4 No Shareholder Rights**

Under no circumstances shall Deferred Share Units be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares nor shall any Participant be considered the owner of Common Shares by virtue of the award of Deferred Share Units.

## **8.5 No Right to Be Retained as Director**

Participation in the Plan shall not be construed to give any Participant a right to be retained as a Director.

## **8.6 No Other Benefit**

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. The Company makes no representations or warranties to a Participant with respect to the Plan or any Deferred Share Units whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Common Shares and all other risks associated with the holding of a Deferred Share Unit.

## **8.7 Participation Voluntary**

Participation in the Plan shall be entirely voluntary.

## **8.8 Unfunded Plan**

Unless otherwise determined by the Committee, the Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Deferred Share Units under the Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured creditor of the Company.

## **8.9 Final Determination**

Any determination or decision by or opinion of the Committee made or held pursuant to the terms of the Plan shall be final, conclusive and binding on all parties concerned. All rights, entitlements and obligations of Participants under the Plan are set forth in the terms of the Plan and cannot be modified by any other documents, statements or communications, except by Plan amendments referred to in Article 7 of the Plan.

### **8.10 Ability to Reorganize Corporation Notwithstanding Deferred Share Units**

The existence of any Deferred Share Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company 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.

### **8.11 Interpretation**

In this text, words importing the singular meaning shall include the plural and vice versa, and words importing the masculine shall include the feminine and neuter genders.

### **8.12 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

## **ARTICLE 9 SPECIAL PROVISIONS FOR US TAXPAYERS**

### **9.1 General**

Notwithstanding any provision of the Plan to the contrary, it is intended that the provisions of this Plan comply with or are exempt from Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each US Taxpayer is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such US Taxpayer in connection with this Plan or any other Plan of the Company (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any affiliate of the Company shall have any obligation to indemnify or otherwise hold such US Taxpayer (or any beneficiary) harmless from any or all of such taxes or penalties.

### **9.2 Payment of Annual Base Compensation for US Taxpayers**

Notwithstanding anything to the contrary in Section 2.2(b) of the Plan or otherwise, each US Taxpayer may elect to receive in Deferred Share Units up to 100% of his or her Annual Base Compensation by completing and delivering a written election to the Company in the form attached hereto as Schedule "B" on or before December 31 of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for Fiscal Quarters during the calendar year following the calendar year in which such written election is made. Further, where an individual that is a US Taxpayer becomes a Participant for the first time during a fiscal year or where any US Taxpayer is serving as a Director in the first calendar year in which the Plan is adopted, such individual may elect to participate in the Plan with respect to Fiscal Quarters of the Company commencing after the Company receives such individual's written election, which election must be received by the Company no later than 30 days after such individual's appointment as a Director or the Plan has been adopted, as applicable. For greater certainty, new Participants that are US Taxpayers will not be entitled to receive Deferred Share Units pursuant to an election for the Fiscal Quarter in which they submit their first election to the Company or any previous Fiscal Quarter. Elections under this

Section 9.2 shall be irrevocable with respect to compensation earned during the period to which such election relates and for the avoidance of doubt, may not be revoked or changed later than December 31 of the prior year.

### **9.3      *Redemption of Deferred Share Units for US Taxpayers***

Notwithstanding anything to the contrary in Section 3.3 of the Plan or otherwise, a US Taxpayer must specify the Redemption Dates for his or her Deferred Share Units at the same time as the initial deferral election is made (upon becoming a newly eligible Participant or with respect to any new election filed for any subsequent years) in accordance with Section 2.2 of the Plan and such Redemption Dates shall be set forth in the applicable Grant Agreement. For the avoidance of doubt, if any additional Deferred Share Units are issued to a US Taxpayer in accordance with Section 2.3 of the Plan, the Redemption Dates shall be set forth in the applicable Grant Agreement, in accordance with this Article 9. Notwithstanding anything to the contrary herein or otherwise, any Deferred Share Units issued to a US Taxpayer shall only be redeemed following such Participant's Separation from Service and may be redeemed in one or two tranches, with one Redemption Date occurring within thirty (30) days of the US Taxpayer's Separation from Service but in no event later than the last day of the calendar year in which such Separation of Service occurs and, if applicable, the second Redemption Date shall be on March 1 of the calendar year following such Separation from Service.

### **9.4      *Distributions on Death***

Notwithstanding any provision of the Plan to the contrary, the Deferred Share Units issued to a US Taxpayer who dies shall be redeemed and paid to the US Taxpayer's estate in the calendar year of the US Taxpayer's death.

### **9.5      *Distributions to Specified Employees***

Solely to the extent required by Section 409A of the Code, distributions under the Plan in respect of a US Taxpayer who is determined to be a Specified Employee shall not actually be paid before the date which is six (6) months after the Specified Employee's Separation from Service (or, if earlier, the date of death of the Specified Employee). Following any applicable six month delay of payment, all such delayed payments shall be made to the Specified Employee in a lump sum on the earliest possible payment date.

### **9.6      *Amendment***

The Board shall retain the power and authority to amend or modify this Article 9 to the extent the Board in its sole discretion deems necessary or advisable to comply with any guidance issued under Section 409A of the Code. Such amendments may be made without the approval of any US Taxpayer.

**Schedule A  
Metallica Metals Corp. Deferred Share Unit  
Plan (the "Plan")**

**DEFERRED SHARE UNIT GRANT AGREEMENT**

This Deferred Share Unit Grant Agreement is entered into between Metallica Metals Corp. (the "Company") and the individual named below (the "Non-Employee Director") pursuant to Section 2.3 of the Plan and confirms that effective \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date") \_\_\_\_\_ Deferred Share Units ("DSUs") have been granted by the Company to the Non-Employee Director on the terms set out in this Agreement and the Plan.

The Non-Employee Director confirms and acknowledges that:

1. He/she has received a copy of the terms of the Plan and this Agreement, understands and agrees to be bound by them.
2. [OMIT FOR US TAXPAYERS: He/she will not be able to cause the Company to redeem DSUs referred to above or any additional DSUs credited to the Non-Employee Director's Account pursuant to Section 2.2(b) of the Plan in respect of such DSUs until the date specified in the Plan following his/her Termination Date. ][FOR US TAXPAYERS ONLY: Notwithstanding anything to the contrary in the Plan or otherwise, the Non-Employee Director's Account shall be redeemed and the DSUs issued hereunder shall be redeemed in [one][two][equal] installment[s], with one Redemption Date occurring within thirty (30) days of the US Taxpayer's Separation from Service but in no event later than the last day of the calendar year in which such Separation of Service occurs [and, the second Redemption Date occurring on [March 1] of the calendar year following such Separation from Service.]
3. When DSUs referred to above and additional DSUs credited to the Non-Employee Director's Account pursuant to his/her election are redeemed in accordance with the terms of the Plan after he/she is no longer either a director or employee of the Company, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Company will make all appropriate withholdings as required by law at that time.
4. The value of the DSUs is based on the value of the common shares of the Company and therefore is not guaranteed.
5. In the event of any discrepancy between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise specified herein.
6. This Agreement shall be determined in accordance with the laws of the province of British Columbia and the laws of Canada applicable therein. Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

**IN WITNESS WHEREOF** the Company and Non-Employee Director have executed this Agreement as of the Effective Date.

**METALLICA METALS CORP.**

**NON-EMPLOYEE DIRECTOR**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Print Name:

**Schedule B**  
**Metallica Metals Corp. Deferred Share Unit Plan**  
**(the "Plan")**

**FORM OF DEFERRED SHARE UNIT ELECTION NOTICE**

In order to exercise your right as a Participant, subject to the conditions in this Plan, to elect to be credited with Deferred Share Units in lieu of any amount of your Directors' Annual Base Compensation otherwise payable to you in cash in any Fiscal Quarter or, for a US Taxpayer, calendar year, please complete the information below and return a signed and dated copy of this Election Notice to the Company's Chief Financial Officer.

In order to be effective, this Election Notice, duly executed, must be returned to the Company's Chief Financial Officer (i) in the case of a Participant that is not a US Taxpayer, not later than the last day of the Fiscal Quarter immediately preceding the Fiscal Quarter in respect of which you are making this election; or (ii) in the case of a US Taxpayer, not later than the last day of the calendar year immediately preceding the calendar year in respect of which you are making this election.

I hereby elect, for the Fiscal Quarter/calendar year (circle one) ended \_\_\_\_\_, to receive in DSUs\_ % (please insert applicable percentage) of the Directors' Annual Base Compensation otherwise payable to me in cash in such calendar year.

I confirm that:

1. I have received and reviewed a copy of the terms of this Plan and agreed to be bound by such terms.
2. I understand that I will not be able to cause the Company to redeem Deferred Share Units granted under this Plan until the dates set forth in the Plan.
3. I recognize that when Deferred Share Units credited pursuant to an election made under this Election Notice are redeemed in accordance with the terms of this Plan after I am no longer a Participant of the Company, income tax and other withholdings as required will arise at that time that will be my obligations (and not the Company's, except as required by law).
4. (select one)
  - I am not a US Taxpayer and I understand that this election shall be irrevocable as of the last day of the Fiscal Quarter prior to the Fiscal Quarter to which the compensation plan relates.
  - I am a US Taxpayer and I understand that this election shall be irrevocable as of December 31 of the year prior to the year to which the compensation plan relates.
5. I understand that the value of Deferred Share Units are based on the value of the Common Shares of the Company and therefore are not guaranteed.
6. I further understand that the foregoing is only a brief outline of certain key provisions of this Plan and that for more complete information, reference should be made to the Plan in its entirety. In the event of any discrepancy between the terms of the Plan and the terms of this Election Notice, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise defined above.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Participant name: