NATIONS ROYALTY CORP.
SUITE 3123 – 595 BURRARD STREET
VANCOUVER, BC V7X 1J1
TEL: 604-609-6112 • FAX: 604-609-6145

TSXV **NRC** OTCQX **NRYCF**

Notice of Meeting and Management Information Circular

for the **ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**
to be held on **Wednesday, December 16, 2026**

Dated: **OCTOBER 26, 2026**

NATIONS ROYALTY CORP.

SUITE 3123 – 595 BURRARD STREET
P.O. BOX 49139, THREE BENTALL CENTRE
VANCOUVER, BC V7X 1J1
TEL: 604-609-6112 • FAX: 604-609-6145

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General and Special Meeting (the "**Meeting**") of the shareholders of Nations Royalty Corp. (the "**Company**") will be held at Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J1 on **Wednesday, December 16, 2026**, at **11:00 a.m.** (Vancouver Time).

The Meeting is to be held for the following purposes:

1. To receive and consider the audited financial statements of the Company for the two most recently completed financial years; the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, together with the report of the auditor thereon.

2. To fix the number of directors for the ensuing year at five (5).

3. To elect directors for the ensuing year.

4. To re-appoint Deloitte LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.

5. To consider and, if deemed appropriate, to pass an ordinary resolution re-approving the Company's 10% "rolling" stock option plan, as amended, in the form attached as Schedule "B" to the Information Circular (as defined below).

6. To consider and if thought appropriate, to pass, with or without variation, an ordinary resolution approving the "fixed" restricted share unit and deferred share unit compensation plan of the Company, in the form attached as Schedule "C" to the Information Circular;

7. To transact such further and other business as may be properly brought before the Meeting and any adjournment or postponement thereof.

The accompanying management information circular (the "**Information Circular**") provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. No other matters are contemplated, however, any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such further and other business as may properly come before the Meeting or any adjournment or postponement thereof.

The audited consolidated financial statements for the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, including the report of the auditor thereon, and the related management's discussion and analysis will be made available at the Meeting and are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Registered Shareholders unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Non-registered Shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are a non-registered Shareholder.

DATED at Vancouver, British Columbia as of this 26th day of October, 2026.

By order of the board of directors of **NATIONS ROYALTY CORP.**

/s/ *Derrick Pattenden*
Derrick Pattenden
Chief Executive Officer, President, and Director

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MANAGEMENT INFORMATION CIRCULAR

As at October 26, 2026
(except as otherwise indicated)

SECTION 1 - INTRODUCTION

This management information circular (the "**Information Circular**") accompanies the notice of annual general and special meeting (the "**Notice**") and is furnished to shareholders (the "**Shareholders**") holding common shares without par value (the "**Shares**") in the capital of **Nations Royalty Corp.** (the "**Company**") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting of the Shareholders (the "**Meeting**") to be held at **11:00 a.m. (Pacific Time)**, on **Wednesday, December 16, 2026,** at **Suite 3123 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1, Canada**, or at any adjournment thereof.

SECTION 2 – 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 this proxy material 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 Information 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 Information 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 Information Circular. This Information 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.

You may opt to receive important shareholder information electronically, including the Meeting by visiting https://odysseytrust.com/ca-en/help/.

APPOINTMENT OF PROXY

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of October 26, 2026 (the "**Record Date**"), on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the "**Management Nominees**") in the enclosed form of proxy are directors and/or officers or consultants of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR CORPORATION (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT

THE MEETING, OTHER THAN THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THIS 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. A proxy will not be valid unless it is deposited with the Corporation's registrar and transfer agent, Odyssey Trust Company ("Odyssey").

- **To Vote Your Proxy Online Please Visit:** https://Vote.Odysseytrust.Com and click on login. You will require the CONTROL NUMBER printed with your address to the right on your proxy form. If you vote by internet, do not mail this proxy;
- **By Mail Or Personal Delivery** to Odyssey Trust Company, Attn: Proxy Department, Suite 1100, 67 Yonge St., Toronto, Ontario M5E 1J8; or
- **By Fax** to Odyssey, to the attention of the Proxy Department at 1-800-517-4553 (Toll Free within Canada and the U.S.) or 416-263-9524 (International).

Proxies must be received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment or postponement thereof.

The Proxy must be signed and dated by the registered Shareholder or by his attorney in writing, or, if the registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

REVOCATION OF PROXIES

A registered Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the registered Shareholder or by his attorney authorized in writing, or, if the registered Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited with the Corporation's registrar and transfer agent, **Odyssey Trust Company, Suite 1100, 67 Yonge St., Toronto, Ontario, M5E 1J8**, at any time up to and including 48 hours preceding the Meeting, or any adjournment or postponement of it, at which the Proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND PROXIES AND EXERCISE OF DISCRETION BY MANAGEMENT NOMINEES

A Shareholder may indicate the manner in which the Management Nominees 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 MANAGEMENT NOMINEES NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE MANAGEMENT NOMINEES WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein 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 Information 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 forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares of the Corporation (the "Common Shares") in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this information circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). The Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory rules require 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 Common Shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the Common Shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such Common Shares are voted.**

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder.

The Corporation will not pay for an intermediary to deliver proxy related materials and voting instruction forms to objecting beneficial owners (called "**OBOs**" for "Objecting Beneficial Owners"). OBOs have objected to their intermediary disclosing ownership information about themselves to the Corporation. Accordingly, OBOs will not receive the materials unless their intermediary assumes the costs of delivery.

The Company is sending these Meeting Materials directly to registered Shareholders and non-objecting beneficial owners ("NOBOs"). If you are a NOBO, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.

NOTICE-AND-ACCESS

The Company is utilizing the Notice-and-Access Provisions that came into effect on February 11, 2013 under NI 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") and NI 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") for distribution of this Information Circular to Shareholders.

The Notice-and-Access Provisions are a set of rules which allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) online, via the System for Electronic Data Analysis and Retrieval ("**SEDAR+**") and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of this Circular, financial statements of the Company for the year ended March 31, 2026 ("**Financial Statements**") and management's discussion and analysis of the Company's results of operations and financial condition for the year ended March 31, 2026 ("**MD&A**") may be found on the Company's SEDAR+ profile at www.sedarplus.ca and also on the Company's website at www.nationsroyalty.ca.

The Company will not use procedures known as "stratification" in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Information Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Information Circular. Shareholders are reminded to review this Information Circular before voting.

Although this Information Circular, the Financial Statements and the MD&A will be posted electronically online as noted above, Shareholders will receive paper copies of a "notice package" via prepaid mail containing information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and an interim financial statements request form. Registered Shareholders may opt out of receiving the annual financial statements and MD&A by marking the box on the form of proxy, and beneficial Shareholders may request the annual financial statements and MD&A by marking the box on their voting instruction form. Shareholders who wish to receive the Company's interim financial statements and MD&A for the financial year ending March 31, 2027, may do so by completing and returning the interim financial statements request form.

The Company anticipates that notice-and-access will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

The Company is also electronically delivering proxy-related materials to Shareholders who have requested such delivery method and encourages Shareholders to sign up for electronic delivery ("**e-Delivery**") of all future proxy materials. The proxy materials for the Meeting can be found on SEDAR+ at www.sedarplus.ca under the Company's profile.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada, including the *Canada Business Corporations Act*, and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be adversely affected by the fact that (i) the Company is incorporated under the *Canada Business Corporations Act*, as amended; (ii) certain of its directors and its executive officers are residents of Canada; and (iii) a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may face challenges in suing the Company or its officers or directors in a foreign court for violations of United States federal securities laws. It may also be difficult to compel the Company, its officers, or its directors to submit to a judgment by a United States court.

SECTION 3 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

VOTING OF COMMON SHARES

The Company is authorized to issue (i) an unlimited number of common shares without par value and without special rights or restrictions attached and (ii) an unlimited of number of preferred shares without par value, as issuable with such special rights and restrictions as may be determined by the board of directors of the Company (the "**Board**"). As at the record date, determined by the Board to be the close of business on the Record Date, a total of 155,305,637 Shares were issued and outstanding and no preferred shares were issued and outstanding.

Only registered Shareholders as at the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement thereof. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the common shares. Each Shareholder is entitled to one vote for each common share registered in his or her name.

PRINCIPAL HOLDERS OF COMMON SHARES

To the knowledge of the directors and executive officers of the Company, the following holders beneficially own or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting attached to any class of voting securities of the Company as at the Record Date.

Shareholder Name	Number of Shares Held (1)	Percentage of Issued Shares
Nisga'a Nation, as represented by Nisga'a Lisims Government	111,100,000	71.54%

Note(s):

(1) Data from disclosure found on the System for Electronic Disclosure by Insiders (SEDI)

QUORUM

Pursuant to the Articles of the Company, subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is two (2) person who are shareholders entitled to be voted at the meeting, present in person or represented by proxy.

SECTION 4 – BUSINESS OF THE MEETING

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 JUDGEMENT.

Additional detail regarding each of the matters to be acted upon at the Meeting is set forth below.

1. FINANCIAL STATEMENTS

The audited financial statements of the Company for the two most recently completed financial years; the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, together with the auditor's report thereon (the "**Financial Statements**"), will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor's Report thereon together with related Management's Discussion and Analysis for the two most recently completed financial years; the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, are available on SEDAR+ at www.sedarplus.ca.

Management will review the Company's financial results at the Meeting and Shareholders and proxyholders will be given an opportunity to discuss these results with management. **No approval or other action needs to be taken at the Meeting in respect of the Financial Statements.**

Request for Financial Statements

National Instrument 51-102 *Continuous Disclosure Obligations* sets out the procedures for a Shareholder to receive financial statements. Registered Shareholders will receive the Company's annual financial statements and MD&A unless they elect not to receive them by marking the box on the form of proxy. Beneficial Shareholders who wish to receive the annual financial statements and MD&A must request them by marking the box on their voting instruction form. Shareholders who wish to receive the Company's interim financial statements and MD&A for the financial year ending March 31, 2027, may complete and return the enclosed interim financial statements request form or provide instructions in any other written format.

2. FIXING THE NUMBER OF DIRECTORS

The directors of the Company are elected at each annual meeting and hold office until the next annual meeting, or until their successors are duly elected or appointed in accordance with the Company's By-laws or until such director's earlier death, resignation or removal.

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 five (5). The number of directors will be approved if the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of fixing the number of directors at five (5).

Management recommends Shareholders vote in favour of the resolution fixing the number of directors at five (5). Unless contrary instructions are indicated on the instrument of proxy or the voting information form, Management Proxyholders intend to vote FOR the resolution fixing the number of directors at five (5).

3. ELECTION OF DIRECTORS

Information Concerning Nominees Submitted by Management

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Each of the nominees has agreed to stand for election and management of the Company does not contemplate that any of the nominees will be unable to serve as a director.

The following disclosure sets out the names of management's five (5) nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during

which each has been a director of the Company and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date:

Name, Province/State and Country of Residence, and Position Held [(1)]	Present Principal Occupation, Business or Employment for Last Five Years [(1)]	Director Since	Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly [(1)]
Derrick Pattenden CEO, President and Director BC, Canada	CEO and President of the Company since January 2026; CIO of the Company, May 2024 to January 2026; Director of Mining Investment Banking at Canaccord Genuity Corp., April 2022 to May 2024; Vice President of Mining Investment Banking at Canaccord Genuity Corp., September 2017 to April 2022.	January 6, 2026	400,000
Robert McLeod Director and Former CEO BC, Canada	Director, President and CEO of Cambria Gold Mines since December 2025; President and CEO of the Company from February 2024 to December 2025; President and CEO of Blackwolf Copper & Gold from June 2020 to May 2023; Director of Nexgold Mining Corp, Nations Royalty and Selkirk Copper	June 18, 2024	1,938,555
Alex Morrison [(2)(3)(4)] Lead Independent Director Arizona, USA	Chartered Professional Accountant and Mining Executive and Director. Director of Gold Standard Ventures from April 2017 to November 2022; Director of Gold Resource Corporation from May 2016 to June 2023; Director of Energy Fuels Inc from October 2019 to June 2026; Director of Deterra Royalties Limited from April 2025 to October 2026; Director of Selkirk Copper Mines from October 2025 to present; Director of Cambria Gold Mines from December 2025 to present.	December 4, 2023	278,000
Edward Clayton [(2)(3)] Independent Director BC, Canada	Finance Manager at Cheslatta Carrier Nation; Director of Nisga'a Growth Corp, June 2023 to July, 2025; Special Projects Administrator at Tahtsa Timber Ltd., February 2023 to June 2023; Finance Officer at Skin Tyee Nation, May 2022 to October 2022.	June 18, 2024	Nil
Saga Williams [(2)(3)] Independent Director Ontario, Canada	Principal, AS Williams Consulting, February 2013 to present; Director of Fury Gold, October, 2020 to present; Director of NiCAN Limited, July 2022 to present; Director of Volta Metals Ltd., May 2023 to present; Adjunct Professor at Osgoode Hall Law School, 2013 to present; Senior Advisor, FNMPC September 2022 to present.	June 18, 2024	261,111

Note(s):

(1) The information in the table above as to principal occupation, business or employment of director nominees, and number of shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of the Management and has been furnished by the respective nominees.
(2) Member of the Audit Committee.
(3) Member of the Corporate Governance & Nominating Committee.
(4) Member of the Investment Committee.

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

The Company currently has three (3) committees: an audit committee (the "**Audit Committee**"), a corporate governance & nominating committee (the "**Corporate Governance Committee**"), and an investment committee (the "**Investment Committee**"). The Company's compensation committee falls under the purview of the Corporate Governance Committee.

Corporate Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Cease Trade Orders

To the knowledge of the Company's management, no proposed nominee for election as a director of the Company is, or has been, within 10 years before the date of this Information Circular a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**Order**") that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

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

Penalties or Sanctions

None of the proposed directors comprising the Nominees is, as at the date hereof, or has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The persons designated as proxyholders in the accompanying Instrument of Proxy (absent contrary directions) intend to vote FOR all of the Nominees as set forth above and therein. The Company does not contemplate that any of such nominees will be unable to serve as directors.

4. RE-APPOINTMENT AND REMUNERATION OF AUDITORS

The Board proposes to re-appoint Deloitte LLP, Chartered Professional Accountants, as the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of Deloitte LLP as auditors of the Company to hold office until the close of the next annual general meeting of the Company and to authorize the remuneration to be paid to the auditors of the Company to be fixed by the Board of Directors of the Company.

Management recommends Shareholders vote in favour of the re-appointment of Deloitte LLP Chartered Professional Accountants as auditor of the Company and authorize the Board to fix the auditor's remuneration. Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the appointment of Deloitte LLP as the Company's auditor until the close of its next annual meeting and to authorize the Board to fix the remuneration to be paid to the auditor.

5. RE-APPROVAL OF STOCK OPTION PLAN

TSX Venture Exchange (the "**Exchange**") Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**") requires every listed issuer that has security-based compensation outstanding, or intends to grant it, to implement a security-based compensation plan, and requires any "rolling" stock option plan to receive Shareholder approval at the time it is implemented and yearly thereafter at the Company's annual meeting. Shareholders last approved the Company's 10% rolling stock option plan (the "**Stock Option Plan**") at the Company's Annual General and Special Meeting held December 16, 2025. At the date of this Information Circular, there were options outstanding to purchase an aggregate of 10,765,650 common shares under the Stock Option Plan.

In connection with the proposed adoption of the New RSU/DSU Plan (as defined below), the Board has approved an amendment to the Stock Option Plan, subject to Shareholder and Exchange approval. Currently, the number of common shares available for issuance under the Stock Option Plan is reduced by any common shares reserved for issuance under

any other security-based compensation plan of the Company. As amended, common shares reserved for issuance under the New RSU/DSU Plan, or any other security-based compensation plan approved by Shareholders, will not reduce the number of common shares available for issuance under the Stock Option Plan. The amendment is intended to permit the Company's security-based compensation plans to fall within the "rolling up to 10% and fixed up to 10%" category under section 3.1(c) of Policy 4.4, under which up to 10% of the issued common shares may be issuable under the rolling Stock Option Plan and a fixed number of common shares of up to 10% of the issued common shares may be issuable under the New RSU/DSU Plan. The Board has also approved certain housekeeping amendments to correct defined terms and cross-references, which do not alter the scope, nature or intent of the affected provisions. See "*Section 5 – Statement of Executive Compensation – Stock Option Plan and Other Incentive Plans*".

A full copy of the Stock Option Plan, as amended, is attached to this Information Circular as Schedule "B". Shareholders may also obtain copies of the Stock Option Plan, as amended, from the Company prior to the Meeting on written request. See also "*Section 8 – Additional Information – Securities Authorized for Issuance Under Equity Compensation Plans."*

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify, confirm, and approve the Stock Option Plan, as amended, with or without variation, as follow:

> **"BE IT RESOLVED**, as an ordinary resolution, that: (a) the Stock Option Plan of the Company, as amended, as described in the Information Circular of the Company dated October 26, 2026, be and is hereby ratified, confirmed and approved; (b) the board of directors of the Company be and is hereby authorized to make such further amendments to the Stock Option Plan as may be required by the TSX Venture Exchange or other applicable regulatory authorities, without further approval of the Shareholders; and (c) any director or officer of the Company be and is hereby authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to this resolution."

An ordinary resolution is a resolution passed by the Shareholders of the Company at the Meeting by a simple majority of the votes cast in person or by proxy.

Management of the Company has reviewed the proposed resolution, concluded that it is fair and reasonable to the Shareholders and in the best interest of the Company, and recommends Shareholders vote in favour of the ratification, confirmation, and approval of the Stock Option Plan, as amended. Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the Stock Option Plan, as amended.

6. APPROVAL OF NEW RSU/DSU PLAN

The Company is proposing that Shareholders approve a new Restricted Share Unit and Deferred Share Unit Compensation Plan (the "**New RSU/DSU Plan**"), which is a "fixed" security-based compensation plan under which the maximum number of common shares that may be reserved for issuance is 15,530,563 common shares (being 10% of the 155,305,637 common shares issued and outstanding as at October 26, 2026). A copy of the New RSU/DSU Plan is attached to this Information Circular as Schedule "C".

Pursuant to the New RSU/DSU Plan, the Board (or a committee thereof) may grant restricted share unit awards ("**RSUs**") and deferred share unit awards ("**DSUs**" and collectively with the RSUs, "**Awards**") as incentive payments to eligible persons. The Board intends to use the Awards as part of the Company's overall executive compensation plan. The implementation of the New RSU/DSU Plan is intended to provide a vehicle by which equity-based incentives may be awarded to Eligible Persons (as defined in the New RSU/DSU Plan) to recognize and reward their significant contributions to the long-term success of the Company and to align their interests more closely with the Shareholders, as well as to bring the Company's compensation policies in line with trends in industry practice, and to preserve working capital of the Company by paying Eligible Persons with compensation in the form of share-based awards as opposed to cash. Eligible Persons who are granted RSUs or DSUs under the New RSU/DSU Plan are collectively referred to herein as "Participants". Under the New RSU/DSU Plan, settlement of RSUs or DSUs shall be made by (i) delivery of one common share for each such RSU or DSU then being settled; or (ii) subject to the discretion of the Board, a cash payment equal to the Fair Market Value (being the five-day volume weighted average trading price of the common shares on the Exchange) of the common shares that would otherwise be delivered. RSUs and DSUs will also be credited with additional units equal in value to any cash dividends paid on the common shares, which vest and settle with the RSUs or DSUs to which they relate.

RSUs are share units which may be granted to Eligible Persons under the New RSU/DSU Plan and which may vest based on the passage of time, continued service and/or individual and corporate performance criteria, as determined by the Board or the Granting Authority (as such term is defined in the New RSU/DSU Plan), provided that no RSU may vest earlier than one year after the date of grant except in the limited circumstances permitted by the Exchange. RSUs must vest and be paid out no later than December 31 of the third calendar year following the calendar year in which the Participant rendered the services in respect of which the RSUs were granted. Non-vested RSUs are forfeited if the Participant voluntarily leaves his or her employment with the Company. RSUs provide the Company with a more transparent and objective tool for rewarding performance or compensating Participants, while providing the Participant with a better defined incentive award.

The New RSU/DSU Plan also makes provision for the use of DSUs as partial payment of an Eligible Person's fees or other compensation. A DSU is a notional unit, the value of which tracks the value of one common share. DSUs are subject to the same minimum one-year vesting requirement as RSUs and are settled only after the Participant ceases to be an Eligible Person. The use of DSUs has the advantage of encouraging higher levels of share ownership by the Participants, thereby aligning their interests more closely with that of the Company while also preserving cash for the Company.

Shareholder Approval

Shareholders will be asked to consider and, if deemed advisable, approve and pass the following ordinary resolution:

"**BE IT RESOLVED THAT**:

1. The New RSU/DSU Plan be and is hereby ratified and approved;
2. The Company is authorized to reserve a maximum of 15,530,563 common shares for issuance under the New RSU/DSU Plan (including in respect of dividend equivalents) in accordance with its terms;
3. The Company is authorized to prepare such disclosure documents and make such submissions and filings as the Company may be required to make with the TSXV to obtain TSXV acceptance of the New RSU/DSU Plan;
4. Authority is granted to the Board of Directors of the Company to make such amendments to the New RSU/DSU Plan as are required by the TSXV to obtain TSXV acceptance of the New RSU/DSU Plan; and
5. Any one director or officer of the Company be and is hereby authorized and directed to execute and deliver all such documents and instruments and to do all such acts and things as may be necessary or desirable to give effect to this resolution."

An ordinary resolution is a resolution passed by the Shareholders of the Company at the Meeting by a simple majority of the votes cast in person or by proxy.

Management of the Company has reviewed the proposed resolution, concluded that it is fair and reasonable to the Shareholders and in the best interest of the Company, and recommends Shareholders vote in favour of the approval of the New RSU/DSU Plan. Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the New RSU/DSU Plan.

7. OTHER MATTERS

As of the date of this Information Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the Proxy.

Additional information relating to the Company is available on the SEDAR+ profile for the Company at www.sedarplus.ca. Copies of the Company's financial statements and management's discussion and analysis may be obtained, without charge, upon request from Suite 3123 - 595 Burrard Street, Vancouver, British Columbia, V7X 1J1, Attn: Alicia Krywaniuk, or by email request to akrywaniuk@fiorecorporation.com.

SECTION 5 – STATEMENT OF EXECUTIVE COMPENSATION

OBJECTIVE:

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. This disclosure provides insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

DEFINITIONS:

For the purpose of this Information Circular, in this form:

"Chief Executive Officer" or **"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;

"Chief Financial Officer" or **"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;

"closing market price" means the price at which the Company's security was last sold, on the applicable date,

(a) in the security's principal marketplace in Canada, or

(b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

"Company" means Nations Royalty Corp.;

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"equity incentive plan" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment;

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"grant date" means a date determined for financial statement reporting purposes under IFRS 2 Share-based Payment;

"incentive plan" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"incentive plan award" means compensation awarded, earned, paid, or payable under an incentive plan;

"Named Executive Officer" or **"NEO"** 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 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;

"non-equity incentive plan" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

"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.

All dollar amounts referenced herein, unless otherwise indicated, are expressed in Canadian dollars.

The following disclosure of compensation earned by certain executive officers and directors of the Company in connection with their office or employment with the Company is made in accordance with the requirements of National Instrument 51-102 - *Continuous Disclosure Obligations*. Disclosure is required to be made in relation to "Named Executive Officers" (as defined above) and directors.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* and provides details of all compensation for each of the directors and NEOs of the Company for the two most recently completed financial years, the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025.

During the financial year ended March 31, 2026, based on the definitions above, the Company had three (3) NEOs, namely (i) Derrick Pattenden, Chief Executive Officer and President, who served as Chief Investment Officer ("**CIO"**) of the Company from May 15, 2024, until January 6, 2026, at which time he was appointed Chief Executive Officer, a position he continues to hold; (ii) Robert McLeod, who served as Chief Executive Officer of the Company from February 7, 2024, until January 6, 2026, and who has served as a Director of the Company since June 18, 2024; and (iii) Joshua Kierce, former Chief Financial Officer, who served as CFO of the Company from October 21, 2024, to July 31, 2026. There were no other executive officers of the Company who individually earned more than $150,000 in total compensation during the financial year ended March 31, 2026. Individuals serving as directors of the Company who were not NEOs during the financial year ended March 31, 2026, were Alex Morrison, Edward Clayton, and Saga Williams.

DIRECTOR AND NEO COMPENSATION, EXCLUDING OPTIONS AND COMPENSATION SECURITIES

The following table sets forth all compensation, excluding options and compensation securities, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, for the two most recently completed financial years, the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company. Options and compensation securities are disclosed under the heading "*Stock Options and Other Compensation Securities*" below.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

	Year ended March 31, 2026 / 10-months ended March 31, 2025	Salary, consulting fee, retainer, or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Derrick Pattenden [1] President, CEO and Director, and Former CIO	2026	300,000	60,000	Nil	Nil	2,215	362,215
	2025	250,000	Nil	Nil	Nil	Nil	250,000
Joshua Kierce [2] Former CFO	2026	165,000	33,000	Nil	Nil	1,870	199,870
	2025	73,906	Nil	Nil	Nil	Nil	73,906

	Year ended March 31, 2026 / 10-months ended March 31, 2025	Salary, consulting fee, retainer, or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Alex Morrison [3][4] Director	2026	90,000	Nil	Nil	Nil	Nil	90,000
	2025	45,300	Nil	8,393	Nil	Nil	53,693
Robert McLeod [5] Director and Former CEO	2026	239,375	Nil	Nil	Nil	6,842	246,217
	2025	250,000	Nil	Nil	Nil	Nil	250,000
Saga Williams [4][6] Director	2026	37,500	Nil	5,000	Nil	Nil	42,500
	2025	25,446	Nil	3,929	Nil	Nil	29,375
Edward Clayton [4][7] Director	2026	37,500	Nil	5,000	Nil	Nil	42,500
	2025	25,446	Nil	1,964	Nil	Nil	27,411
Debra Febril [8] *Former Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	12,647	Nil	1,054	Nil	Nil	13,701
Collier Azak [9] *Former Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	12,892	Nil	1,074	Nil	Nil	13,966
Tony Robinson [10] *Former CFO*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	11,250	Nil	Nil	Nil	Nil	11,250
Gordon Friesen [11] *Former CEO/CFO/Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	Nil	Nil	Nil	Nil	Nil	Nil
Scott Davis [12] *Former Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	Nil	Nil	Nil	Nil	Nil	Nil
Allan Glowach [13] *Former Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	Nil	Nil	Nil	Nil	Nil	Nil
Alicia Krywaniuk [14] *Former Director/Corporate Secretary*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	Nil	Nil	Nil	Nil	Nil	Nil
Andrew Hamilton [15] *Former Director*	2026	N/A	N/A	N/A	N/A	N/A	N/A
	2025	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Derrick Pattenden was appointed as Chief Executive Officer and President on January 6, 2026; as a director on December 12, 2025; and served as Chief Investment Officer from May 15, 2024, until January 6, 2026.
(2) Joshua Kierce served as Chief Financial Officer from October 21, 2024, until July 31, 2026.
(3) Alex Morrison was appointed a director on December 4, 2023.
(4) Member of the Audit Committee.
(5) Robert McLeod was appointed a director on June 18, 2024; and served as Chief Executive Officer from February 7, 2024 to January 6, 2026. Mr. McLeod did not receive any compensation pursuant to his position as director of the Company, until January 6, 2026 when he resigned as CEO.
(6) Saga Williams was appointed a director on June 18, 2024.
(7) Edward Clayton was appointed a director on June 18, 2024.
(8) Debra Febril served as a director from June 18, 2024, until November 22, 2024.
(9) Collier Azak served as a director from June 18, 2024, until November 22, 2024.
(10) Tony Robinson served as Chief Financial Officer from March 4, 2024 to October 21, 2024.
(11) Gordon Friesen served as a director from September 15, 2021 to June 18, 2024; as CEO from April 20, 2022 to February 7, 2024; as CFO from April 20, 2022 to March 4, 2024; and as Corporate Secretary from April 20, 2022 to May 11, 2023.
(12) Scott Davis served as a director from September 15, 2021 to June 18, 2024; and as President, CEO, and CFO from September 15, 2021 to April 20, 2022.
(13) Allan Glowach served as a director from September 21, 2021 to June 18, 2024.
(14) Alicia Krywaniuk served as Corporate Secretary from May 11, 2023 to March 4, 2024; and as a director from August 14, 2023 to June 18, 2024.
(15) Andrew Hamilton served as a director from August 14, 2023 to June 18, 2024.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries during the financial year ended March 31, 2026, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof.

COMPENSATION SECURITIES

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class [1]	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 ($) [2]	Expiry Date
Derrick Pattenden [3] President, CEO and Director, and Former CIO	Stock Options	350,000 stock options (3.53%) (350,000 underlying common shares: 0.23%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030
Joshua Kierce [4] CFO	Stock Options	105,000 stock options (1.06%) (105,000 underlying common shares: 0.07%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030
Alex Morrison [5] Director	Stock Options	75,000 stock options (0.76%) (75,000 underlying common shares: 0.05%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030
Robert McLeod [6] Director and Former CEO/President	Stock Options	50,000 stock options (0.5%) (50,000 underlying common shares: 0.03%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030
Edward Clayton [7] Director	Stock Options	50,000 stock options (0.5%) (50,000 underlying common shares: 0.03%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030
Saga Williams [8] Director	Stock Options	50,000 stock options (0.5%) (50,000 underlying common shares: 0.03%)	July 25, 2025	0.58	0.51	1.08	July 25, 2030

Notes:

(1) Percentage of class represents percentage of compensation securities granted over the total number of compensation securities of the Company outstanding as at March 31, 2026.

(2) Reflects the closing price of the common shares in the capital of the Company on the TSX Venture Exchange on March 31, 2026, the last trading date of March 2026.

(3) The total amount of compensation securities held by Derrick Pattenden as at March 31, 2026, was 1,350,000 stock options.

(4) The total amount of compensation securities held by Joshua Kierce as at March 31, 2026, was 455,000 stock options.

(5) The total amount of compensation securities held by Alex Morrison as at March 31, 2026, was 675,000 stock options.

(6) The total amount of compensation securities held by Robert McLeod as at March 31, 2026, was 1,050,000stock options.

(7) The total amount of compensation securities held by Edward Clayton as at March 31, 2026, was 550,000 stock options.

(8) The total amount of compensation securities held by Saga Williams as at March 31, 2026, was 50,0005 stock options.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOS

There were no compensation securities exercised by a director or NEO of the Company during the financial year ended March 31, 2026.

During the financial year ended March 31, 2026, 62,500 stock options held by Tony Robinson, and 108,500 stock options held by Sam Brezden were cancelled/expired.

STOCK OPTION PLAN AND OTHER INCENTIVE PLANS

The Company's stock option plan (the "**Option Plan**") is currently the only equity compensation plan the Company has in place. At the Meeting, Shareholders will be asked to re-approve the Option Plan, as amended, and to approve the New RSU/DSU Plan, each as described below.

Stock Option Plan

The Option Plan was established to provide the Company with a share-related mechanism to advance the interests of the Company through the motivation, attraction and retention of key employees, consultants and directors of the Company and designated affiliates of the Company and to secure for the Company and shareholders of the Company

("**Shareholders**") the benefits inherent in the ownership of Common Shares by key employees, consultants and directors of the Company and designated affiliates of the Company through the granting of non-transferable stock options ("**Options**") to eligible participants under the Option Plan. The Option Plan is administered by a corporate governance and nominating committee (the "**Governance Committee**") of the Board authorized to carry out such administration or, failing a committee being so designated, by the Board.

Subject to the provisions of the Option Plan, the Governance Committee has the authority to select those persons to whom Options are granted. Eligible participants under the Option Plan include the directors, officers and employees (including both full-time and part-time employees) of the Company or of any designated affiliate of the Company and any person or corporation engaged to provide ongoing management, advisory or consulting services for the Company or a designated affiliate of the Company or any employee of such person or corporation.

The Option Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, consultants, and employees of the Company and its subsidiaries or affiliates, options to purchase Common Shares. The Option Plan is a "rolling" stock option plan, whereby the aggregate number of Common Shares reserved for issuance under the Option Plan shall not exceed ten (10%) percent of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an option is granted.

In connection with the adoption of the New RSU/DSU Plan, the Board has approved an amendment to the Option Plan, subject to Shareholder and Exchange approval. Previously, the 10% limit under the Option Plan was reduced by any Common Shares reserved for issuance under any other security-based compensation plan of the Company. As amended, Common Shares reserved for issuance under the New RSU/DSU Plan, or any other security-based compensation plan approved by Shareholders, will not reduce the number of Common Shares available for issuance under the Option Plan. The Board has also approved certain housekeeping amendments to the Option Plan to correct defined terms and cross-references.

The Option Plan was last ratified by Shareholders on December 16, 2025, and subsequently by the Exchange. Under the policies of the Exchange, a rolling stock option plan must be re-approved on a yearly basis by the Shareholders and the Exchange.

The following is a summary of the material terms of the Option Plan:

(a) the Option Plan reserves, for issue pursuant to Options, a maximum number of Common Shares equal to 10% of the outstanding Common Shares from time to time;

(b) the maximum number of Options granted or issued to Insiders (as defined in Exchange Policy 1.1 – *Interpretation*) (as a group) in any 12-month period under the Option Plan and any other security-based compensation plans of the Company may not exceed 10% of the outstanding Common Shares at the time of grant without Disinterested Shareholder Approval (as defined in Exchange Policy 4.4); and the maximum number of Common Shares reserved for issue to Insiders (as a group) under the Option Plan and any other security-based compensation plans of the Company may not exceed 10% of the outstanding Common Shares at any given time without Disinterested Shareholder Approval;

(c) the maximum number of Common Shares reserved for issue to any one person in any 12-month period under the Option Plan and any other security-based compensation plans of the Company may not exceed 5% of the outstanding Common Shares at the time of grant without Disinterested Shareholder Approval;

(d) the maximum number of Common Shares reserved for issue to any one consultant in any 12-month period under the Option Plan and any other security-based compensation plans of the Company may not exceed 2% of the outstanding Common Shares at the time of grant;

(e) the number of Common Shares reserved for issue under Options granted to all Investor Relations Service Providers (as defined in Exchange Policy 4.4) in aggregate in any 12-month period may not exceed 2% of the outstanding Common Shares, calculated at the date any Option is granted to any such Investor Relations Service Provider, and Investor Relations Service Providers may not receive any form of security-based compensation other than Options;

(f) Options vest at the discretion of the Board or a committee of the Board. However, Options granted to an Investor Relations Service Provider shall vest such that:

  (i) no more than 25% of the Options vest sooner than 3 months after the Options were granted;

  (ii) no more than another 25% of the Options vest sooner than 6 months after the Options were granted;

(iii) no more than another 25% of the Options vest sooner than 9 months after the Options were granted; and

(iv) the remainder of the Options vest no sooner than 12 months after the Options were granted;

(g) the maximum aggregate number of Common Shares issuable under all outstanding Charitable Stock Options (as defined in Exchange Policy 4.4) may not exceed 1% of the outstanding Common Shares, calculated at the time the Charitable Stock Option is granted to an Eligible Charitable Organization (as defined in Exchange Policy 4.4);

(h) subject to a minimum exercise price of $0.05 per Share, the exercise price per Share for an Option may not be less than the Market Price (as defined in the policies of the Exchange) at the date of grant;

(i) Options may have a term not exceeding ten years;

(j) a Charitable Stock Option (as defined in Exchange Policy 4.4) must expire on or before the earlier of (a) the date that is 10 years from the date of grant of the Charitable Stock Option; and (b) the 90th day following the date that the holder of the Charitable Stock Option ceases to be an Eligible Charitable Organization (as defined in Exchange Policy 4.4);

(k) if an optionee dies prior to the expiry of its Option, their heirs, administrators or legal representatives may, by the earlier of (a) 12 months from the date of the optionee's death; and (b) the expiry date of the Option, exercise any portion of such Option;

(l) if an optionee is terminated for cause, their Options terminate immediately. If an optionee ceases to be a director, officer, employee or consultant for any other reason (other than death), their Options will terminate 90 days after the termination date, or such longer reasonable period as the Board may determine, not exceeding 12 months. Options held by an Investor Relations Service Provider terminate 30 days after the termination date;

(m) Options are non-assignable and non-transferable; and

(n) the Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of Options in the event of a share consolidation or subdivision of the Common Shares, or if the Company is a party to a reorganization, merger, dissolution or the Common Shares are exchanged or reclassified in any way.

New RSU/DSU Plan

On November 4, 2026, the Board approved the New RSU/DSU Plan, subject to Shareholder and Exchange approval. The New RSU/DSU Plan is a "fixed" security-based compensation plan under Exchange Policy 4.4 - *Security Based Compensation*. Together with the Option Plan, it allows the Company to reserve up to approximately 20% of the issued Common Shares for security-based compensation: up to 10% for Options under the rolling Option Plan, and a fixed number of Common Shares equal to 10% of the issued Common Shares as at the record date for the Meeting under the New RSU/DSU Plan. Restricted share units ("**RSUs**") are intended to compensate participants for individual performance, and deferred share units ("**DSUs**") are intended to reduce the cash compensation payable by the Company, primarily to directors.

The following is a summary of the material terms of the New RSU/DSU Plan:

(a) **Eligibility**. RSUs and DSUs may be granted to directors, senior officers and management company employees, employees and consultants of the Company and its subsidiaries. Persons who provide investor relations activities to the Company are not eligible and may only receive Options.

(b) **Administration**. The New RSU/DSU Plan is administered by the Board, which may delegate its powers to a committee of the Board.

(c) **Maximum number of Common Shares**. The maximum number of Common Shares that may be reserved for issuance under the New RSU/DSU Plan at any time is 15,530,563 Common Shares, being 10% of the issued and outstanding Common Shares as at October 26, 2026, the record date for the Meeting. This includes any Common Shares reserved for additional RSUs or DSUs credited as dividend equivalents. Common Shares subject to Awards that are cancelled or forfeited without Common Shares having been issued become available again for Awards under the New RSU/DSU Plan. The maximum may only be increased with Shareholder approval and the acceptance of the Exchange (and disinterested Shareholder approval if the increase could result in the Insider or individual limits described in (d) below being exceeded).

(d) **Limits on grants**. The following limits apply to all Common Shares reserved for issuance under the New RSU/DSU Plan together with the Option Plan and any other security-based compensation plan of the Company:

(i) to any one person in any 12-month period: 5% of the issued Common Shares at the time of grant, unless Disinterested Shareholder Approval is obtained;

(ii) to Insiders as a group at any time: 10% of the issued Common Shares, unless Disinterested Shareholder Approval is obtained;

(iii) to Insiders as a group in any 12-month period: 10% of the issued Common Shares at the time of grant, unless Disinterested Shareholder Approval is obtained; and

(iv) to any one consultant in any 12-month period: 2% of the issued Common Shares at the time of grant.

(e) **Vesting**. The Board determines the vesting conditions for each award, which may be based on the passage of time, continued service, performance criteria, or a combination of these. No RSU or DSU may vest earlier than one year after the date of grant, except that vesting may be accelerated on the death of the holder or where the holder ceases to be eligible in connection with a change of control, take-over bid, reverse takeover or similar transaction, in each case only as permitted by the Exchange.

(f) **RSUs**. RSUs are settled on or as soon as practicable after vesting. RSUs must vest and be paid out no later than December 31 of the third calendar year following the year in which the holder rendered the services for which the award was made.

(g) **DSU**s. DSUs are settled only after the holder ceases to be eligible under the New RSU/DSU Plan and, for holders who are not U.S. taxpayers, no later than December 31 of the calendar year following the year in which the holder ceases to be eligible.

(h) **Settlement**. Each vested RSU or DSU entitles the holder to one Common Share, which may be issued from treasury or purchased in the market. RSUs and DSUs may also be settled in cash.

(i) **Dividend equivalents**. Unless the Board determines otherwise, when the Company pays a cash dividend on its Common Shares, holders of RSUs and DSUs are credited with additional RSUs or DSUs equal in value to the dividend, calculated using the five-day volume weighted average trading price of the Common Shares. These additional units vest and are settled on the same terms as the RSUs or DSUs to which they relate. If there are not enough Common Shares reserved under the New RSU/DSU Plan to settle them, they will be settled in cash. The New RSU/DSU Plan does not oblige the Company to pay dividends. Common Shares issuable on account of dividend equivalents are included in the maximum number of Common Shares reserved under the New RSU/DSU Plan and in the limits on grants described in (d) above.

(j) **Termination of service**. Unless the Board determines otherwise, unvested RSUs and DSUs are forfeited if the holder is terminated for cause, resigns or retires (other than an eligible retirement), or otherwise ceases to provide services, other than on death, disability, eligible retirement or termination without cause. The Board may permit unvested awards to vest on an accelerated vesting event, or extend awards for up to 12 months after the holder ceases to be eligible.

(k) **Death**. On the death of a holder, all unvested RSUs vest and the Common Shares are issued to the holder's estate. The estate may receive vested entitlements until the earlier of one year after the date of death and the expiry of the award.

(l) **Change of control**. On a change of control, the Board may waive vesting conditions and may require that RSUs and DSUs be settled in cash. DSUs may not be paid out before the holder ceases to be a director or employee.

(m) **Transferability**. RSUs and DSUs are not assignable or transferable, other than by will or the laws of succession.

(n) **Adjustments**. The number of Common Shares subject to the New RSU/DSU Plan and to outstanding awards may be adjusted on a share dividend, consolidation, subdivision, reorganization or similar event. Any adjustment, other than for a share consolidation or split, is subject to prior Exchange acceptance.

(o) **Hold period**. All RSUs and DSUs granted to Insiders, and any Common Shares issued on their settlement before the expiry of the four-month Exchange hold period, must be legended in accordance with Exchange policies.

(p) **Amendments**. The Board may make housekeeping amendments and amendments required to comply with law or Exchange policies without Shareholder approval. Shareholder approval is required to extend the term of an award or reduce any exercise price (Disinterested Shareholder Approval if the holder is an Insider), extend eligibility to new persons, increase the maximum number of Common Shares reserved under the New RSU/DSU Plan, or amend the amendment provisions.

(q) **Effective date**. The New RSU/DSU Plan will take effect on the date it is approved by Shareholders. If Shareholders do not approve it, the New RSU/DSU Plan will not take effect and the Option Plan will continue in effect. Outstanding Options are not affected by the New RSU/DSU Plan.

The above summaries are qualified in their entirety by the full text of the Option Plan, as amended, and the New RSU/DSU Plan. A copy of the Option Plan, as amended, is attached to this Information Circular as Schedule "B". A copy of the New RSU/DSU Plan is attached to this Information Circular as Schedule "C". Copies will be available at the Meeting and may be obtained from the Company free of charge prior to the Meeting upon written request.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

Except as disclosed herein, the Company did not have any employment, consulting or management agreements or any formal arrangements with the Company's current NEOs or directors regarding compensation during the most recently completed financial year, ended March 31, 2026, in respect of services provided to the Company or subsidiaries thereof. Management functions of the Company are generally performed by directors and executive officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

Employment Agreement with Derrick Pattenden

The Company had entered into an employment agreement effective as of May 15, 2024, with Derrick Pattenden for his role as CIO of the Company (the "**Original Pattenden Agreement**"). The Original Pattenden Agreement was terminated effective January 6, 2026, in connection with Mr. Pattenden's appointment as Chief Executive Officer of the Company, and the Company entered into a new employment agreement dated for reference January 6, 2026, with Mr. Pattenden for his role as CEO, President, and Director of the Company (the "**Pattenden Agreement**"). Pursuant to the Pattenden Agreement, Mr. Pattenden is entitled to an annual salary of $300,000, plus an annual discretionary performance bonus of up to a target of 30% of his annual salary, any special performance bonus at the discretion of the Board of Directors, and health benefits. The Pattenden Agreement may be terminated by the Company at any time, without just cause, by making termination payments equal to 12 months of salary plus applicable bonus entitlements for the same period. During the period beginning two months prior to, and ending 12 months following, a change of control event, the Pattenden Agreement may be terminated by making termination payments equal to 24 months of salary plus applicable bonus entitlements for the same period. Mr. Pattenden is entitled to continued health benefits at the Company's expense during the applicable severance period. Mr. Pattenden may resign in certain circumstances upon a minimum of three months' written notice.

Employment Agreement with Joshua Kierce

The Company had entered into an employment agreement effective as of October 21, 2024, with Joshua Kierce for his role as CFO of the Company (the "**Kierce Agreement**"). Pursuant to the Kierce Agreement, Mr. Kierce was entitled to an annual salary of $165,000 plus discretionary security-based bonus entitlements and health benefits. The Kierce Agreement could be terminated by the Company at any time, without cause, by making termination payments equal to 12 months of salary plus applicable security-based bonus entitlements for the same period, or, during the period beginning two months prior to, and ending 12 months following, a change of control event, 24 months of salary plus applicable security-based bonus entitlements for the same period. The Kierce Agreement was terminated effective July 31, 2026, in connection with Mr. Kierce's resignation as Chief Financial Officer of the Company. Following his resignation, the Company entered into a consulting agreement with Mr. Kierce.

Employment Agreement with Robert McLeod

The Company had entered into an employment agreement effective as of February 1, 2024, with Robert McLeod for his role as CEO of the Company (the "**McLeod Agreement**"). Pursuant to the McLeod Agreement, Mr. McLeod was entitled to an annual salary of $300,000 plus discretionary security-based bonus entitlements and health benefits. The McLeod Agreement could be terminated by the Company at any time, without cause, by making termination payments equal to 12 months of salary plus applicable security-based bonus entitlements for the same period, or, during the period beginning two months prior to, and ending 12 months following, a change of control event, 24 months of salary plus applicable security-based bonus entitlements for the same period. The McLeod Agreement was terminated effective January 6, 2026, in connection with Mr. McLeod's transition from Chief Executive Officer to a director-only role with the Company. Mr. McLeod continues to serve as a Director of the Company and does not have an employment, consulting, or management agreement with the Company.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The following table presents the estimated total change of control and termination benefits of its NEOs, assuming the separation event occurred on March 31, 2026.

	SEPARATION EVENT				
NEO Name and Role	**Resignation**	**Termination with Cause**	**Termination without Cause**	**Change of Control (in first 12 months)**	**Change of Control (after 12 months)**
Derrick Pattenden CEO (former CIO)	Nil	Nil	$300,000	$600,000 (1)	$600,000
Joshua Kierce (2) Former CFO	Nil	Nil	$165,000	N/A	$330,000
Robert McLeod Director (former CEO)	N/A (3)	N/A (3)	N/A (3)	N/A (3)	N/A (3)

Notes:

(1) Under the Pattenden Agreement entered into January 6, 2026, the change of control severance entitlement is fixed at 24 months of salary and does not vary based on length of service, unlike the terminated Original Pattenden Agreement.

(2) Joshua Kierce resigned on July 31, 2026.The Kierce Agreement terminated on that date, and Mr. Kierce is no longer entitled to the termination or change of control benefits reflected in this table as at the date of this Statement.

(3) The McLeod Agreement terminated effective January 6, 2026, in connection with Mr. McLeod's transition from Chief Executive Officer to a director-only role. As at March 31, 2026, Mr. McLeod does not have an employment, consulting or management agreement with the Company providing for termination or change of control benefits.

Pursuant to the Pattenden Agreement and the Kierce Agreement, a change of control occurs upon: (a) completion of the acquisition of outstanding Common Shares which, when added to all other Common Shares at the time held by such person, constitutes for the first time in the aggregate more than 50% of the outstanding Common Shares; (b) approval of the removal, by extraordinary resolution of the Shareholders, of 50% or more of the then incumbent members of the Board, or the election of a majority of the directors comprising the Board who were not nominated by the incumbent Board at the time immediately preceding such election; (c) consummation of a sale of all or substantially all of the assets of the Company to another person, other than a subsidiary of the Company or other than in the ordinary course of business; or (d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as the foregoing (a), (b) or (c).

Other than as set forth above, during the two most recently completed financial years, the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, the Company did not have any contract, agreement, plan, or arrangement that provides for payment to any NEOs, executive officers, or directors at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's, executive officer's or director's responsibilities.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NEO COMPENSATION

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that the Company's compensation policies result in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

Director Compensation

The Company's Governance Committee is responsible for recommending to the Board all forms of compensation to be granted to the Company's directors. The Board determines and reviews director compensation, considering factors such as the expected scope and volume of duties, prior performance, comparisons to compensation at similar companies, and the availability of the Company's financial resources. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, and the availability of financial and other resources of the Company.

Effective January 1, 2025, all independent directors received fees of $3,125 per month, paid quarterly, for their service as directors, prorated from their date of appointment. Compensation is provided only to non-executive directors. Participation on committees is compensated with an additional $2,500 per year, while committee chairs receive an

additional $7,500 per year. The lead director receives a flat retainer of $22,500 quarterly ($90,000 annually) and no other compensation for committee membership or chair.

The Company also grants its directors incentive stock options and, if the New RSU/DSU Plan is approved, may grant RSUs and DSUs to directors. See above section "*Stock Option Plan and Other Incentive Plans*". The quantity and quality of Board compensation is reviewed on an annual basis. Awards to directors and officers are approved by the Board as a whole on the recommendation of the Governance Committee, thereby providing the independent directors with significant input into compensation decisions. Given the current size and limited scope of operations of the Company, the Board does not believe that a formal compensation committee is required. At such time and in the opinion of the Board, should the size and activities of the Company and the number of management employees warrant the formation of a formal compensation committee, one shall be appointed at such time.

At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company.

Named Executive Officers Compensation

Compensation of NEOs is reviewed annually and determined by the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

The Company's executive officer compensation program consisted of the following elements:

- base salary;
- annual performance-based cash incentives;
- equity compensation consisting of Stock Options; and, if the New RSU/DSU Plan is approved, RSUs and DSUs; and
- Other benefits

The Board reviews on an annual basis the cash compensation, performance and overall compensation package of each active NEO. The Company believes that the bonus and Option components of compensation serve to further align the interests of management with the interests of the Shareholders. The specific rationale and design of each of these elements are outlined in detail below:

Base Salary

During the two most recently completed financial years, the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, the Board approved the salary ranges for the active NEOs. Base salaries were set with the goal of being competitive with corporations of a comparable size and at the same stage of development, thereby enabling the Company to compete for and retain executives critical to the Company's long-term success. In determining the base salary of an executive officer, the Board places equal weight on the following criteria:

- the particular responsibilities related to the position;
- salaries paid by comparable businesses;
- experience level of the executive officer; and
- overall performance or expected performance (in the case of a newly hired executive officer).

The Board assessed these criteria, and using this information together with budgetary guidelines and other internally generated planning and forecasting tools, and performed an annual assessment of the compensation of all executive officer and employee compensation levels. To date, comparative data for the Company's peer group has been accumulated internally, without the use of any external independent consultants or compensation specialists.

For employees of the Company, management is responsible for preparing an individual evaluation process for each employee and then conducting reviews on an annual basis. The evaluation framework is objective where a number of factors are judged for each employee. The results of said reviews and management recommendations with respect to compensation levels are then submitted to the Board for consideration.

Short-Term Incentive Program (Cash Bonuses)

The Company has established a Short-Term Incentive Program for its NEOs. This annual incentive program is based on the collective performance of the NEOs against corporate objectives approved by the Board. Bonuses are awarded in full following approval by the Board, based on recommendations from the Governance Committee.

While target annual incentive compensation for NEOs is set at specific percentages of their base salaries, the Board retains full discretion in evaluating performance. Individual achievements may also be considered where appropriate. It is important to note that annual incentive compensation is not guaranteed; the Board has the exclusive authority to determine performance outcomes and may choose not to award bonuses to any NEO.

The Board approves annual incentives based on its assessment of each active NEO's performance and contributions to the Company's success, taking into account both financial and operational performance metrics.

For the financial year ended March 31, 2026, the Company awarded cash performance bonuses to certain NEOs in recognition of the Company's performance during that year, consisting of $60,000 to Derrick Pattenden and $33,000 to Joshua Kierce. For the ten-month period ended March 31, 2025, no cash bonuses were granted.

Stock Option Awards

The Company's Option Plan allows for the granting of stock options to directors, executive officers, key employees, consultants, and eligible charitable organizations, as defined by the Exchange, to align the interests of these individuals with those of the Company and Shareholders. Stock options are widely recognized as an effective tool for attracting, retaining, and motivating talent by providing an opportunity to acquire an equity stake in the Company.

The Board is responsible for establishing the ranges of option grants for each level of executive officer and identifying key employees eligible for stock options. Recommendations on the terms and conditions of these grants are made to the Board. Individual grants are determined based on an assessment of the individual's current and anticipated performance, level of responsibility, and contribution to the Company. In granting new options, the Board also considers the existing number and terms of outstanding options held by the individual.

The total number of options that may be issued under the Option Plan, both overall and in any fiscal year, is subject to the limits set out in the Option Plan and cannot be increased without Shareholder approval. Details of the Company's Option Plan are provided above under "*Stock Option Plans and Other Incentive Plans*."

Other Benefits

The other benefits that are provided to the Company's NEOs are limited to payments consisting of contributions to life insurance, short and long-term disability insurance, and health and medical insurance.

Other negotiable terms of compensation, such as payment on termination of employment and change of control, are reviewed and determined on an individual basis and are designed to be competitive overall with equivalent positions in comparable organizations. Details of such terms for the Company's NEOs are set out under the heading "*Termination and Change of Control Benefits"*.

Use of Financial Instruments

The Company does not have a policy that would prohibit a NEO or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

PENSION AND OTHER BENEFIT PLANS

The Company does not have any pension, retirement, defined benefit, defined contribution, or deferred compensation plans that provides for payments or benefits to its directors and NEOs at, following, or in connection with retirement and none are proposed at this time.

SECTION 6 – AUDIT COMMITTEE

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. Such disclosure is set forth below.

AUDIT COMMITTEE CHARTER

The charter of the Company's Audit Committee is attached as Schedule "A".

COMPOSITION OF THE AUDIT COMMITTEE

As at the date hereof, the Audit Committee of the Company is comprised of three (3) directors: Alex Morrison, Edward Clayton, and Saga Williams.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. As the Company is a venture issuer, the Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All members of the Audit Committee are considered to be independent.

NI 52-110 provides that an individual is "financially literate" if they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Company's Audit Committee are financially literate as that term is defined.

RELEVANT EDUCATION AND EXPERIENCE

Each member of the Company's Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

(a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and

(c) an understanding of internal controls and procedures for financial reporting.

All of the Audit Committee members are senior-level businesspeople with experience in financial matters. Each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

<u>Alex Morrison – Lead Independent Director</u>

Alex Morrison is a professional director and experienced mining executive with over 40 years experience in the mining industry. He has vast multidisciplinary experience in senior strategic roles in finance, accounting, information technology, supply chain, risk management and operations support at major mining companies including Newmont Mining, Homestake Mining, Phelps Dodge and Stillwater Mining. He is the former Chief Financial Officer at Franco Nevada, the leading international gold royalty company. He has held diverse corporate director, chairman and lead director roles for a broad list of mining companies including Detour Gold, Taseko Mines, Energy Fuels, Gold Standard Ventures, Deterra Royalties, and Gold Resource Corporation. He currently holds director roles at Cambria Gold Mines and Selkirk Copper Mines and is a chartered professional accountant (CPA, CA).

Edward Clayton - Director

Edward Clayton has an extensive 20-year track record of driving results in the government, health, and education sectors, pipeline, and forestry contracting, forestry, and economic development corporations, in various accounting and business roles. He has extensive experience working in community economic development, as well as managing and administering capital projects. Mr. Clayton offers a broad base of experience managing financial operations, and ensuring company compliance of both non-profit, and for-profit operations. He has proven expertise in full cycle accounting, and leading efficient audits. Mr. Clayton is currently employed as Finance Officer with Cheslatta Carrier Nation.

Saga Williams - Director

Saga Williams, LL.B. is the principal and owner of AS Williams Consulting. With over 20 years of experience, Ms. Williams has been involved in the successful implementation of a number of high-profile initiatives, including energy, mining, economic and policy development projects and land claims settlements. Ms. Williams was an elected Band Councillor for her community and served a three-year term, holding three portfolios and chaired a number of community-based committees. Over her years working with First Nations governments, and holding a leadership position, Ms. Williams has gained expertise in governance structures, policies and processes. Ms. Williams is a Director to three junior mining companies, supporting their governance, audit and technical committees. Recently, Ms. Williams has joined the First Nations Major Project Coalition Team and is supporting membership outreach in central and eastern Canada, as well as advising on First Nations' involvement in the critical mineral and energy sectors. She also teaches as an Osgoode Hall Law School Adjunct Professor, introducing law students to issues of Indigenous rights and reconciliation.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2026, has the Company relied on the exemption in section 2.4 of NI 52-110 - Audit Committees (*De Minimis Non-audit Services*), the exemption in section 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption, in whole or in part, granted under Part 8 of NI 52-110.

As the Company is a "Venture Issuer" pursuant to relevant securities legislation, the Company is relying on the exemption in section 6.1 of NI 52-110 - *Audit Committees*, from the requirement of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

EXTERNAL AUDITOR SERVICE FEES

The aggregate fees billed by the Company's external auditor in each of the last two financial years with respect to the Company, by category, are as follows:

For the Year ended March 31, 2026 / 10-months ended March 31, 2025	Audit Fees [(1)] ($)	Audit Related Fees [(2)] ($)	Tax Fees [(3)] ($)	All Other Fees [(4)] ($)
2026	$193,475.69	Nil	Nil	Nil
2025	$145,450	$145,450	Nil	Nil

Note(s):

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit

Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

SECTION 7 – CORPORATE GOVERNANCE

GENERAL

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Company is required to disclose its corporate governance practices. Corporate governance relates to the policies, structure and activities of a board of directors of a corporation, the members of which are elected by and are accountable to the Shareholders of the corporation and takes into account the role of the individual members of management who are appointed by the board of directors and who are charged with the day-to-day management of the corporation.

National Policy 58-201 - *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices.

Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of Shareholders and help to contribute to effective and efficient decision-making and believes the Company's corporate governance practices are appropriate and effective for the Company given its current size.

BOARD OF DIRECTORS

The mandate of the Board, as prescribed by the *Canada Business Corporations Act*, is to manage or supervise the management of the business and affairs of the Company and to act honestly and in good faith with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

The Board facilitates its exercise of independent supervision over management by ensuring that the Board is composed of a majority of directors independent of management. In determining whether a director is independent, the Board considers whether the director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. The Board is currently composed of five directors, three of whom, Alex Morrison, Edward Clayton and Saga Williams, are considered "independent" as that term is defined in applicable securities legislation. Derrick Pattenden is not considered independent by reason of his position as Chief Executive Officer of the Company, and Robert McLeod is not considered independent by reason of having served as Chief Executive Officer of the Company within the last three years.

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

DIRECTORSHIPS IN OTHER REPORTING ISSUERS

Certain of the directors of the Company are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other Reporting Issuer (or the equivalent) [1]
Robert McLeod	Nexgold Mining Corp. Dolly Varden Silver Corporation Selkirk Copper Mines Inc.
Alex Morrison	Cambria Gold Mines Inc. Selkirk Copper Mines Inc.
Derrick Pattenden	Crossroads Gold Corp.
Saga Williams	Fury Gold Mines Limited Volta Metals Ltd. NiCan Limited

Note(s):

(1) The information in the table above as to other directorships is not within the knowledge of management of the Company and has been furnished by the respective director(s).

ORIENTATION AND CONTINUING EDUCATION

The Board briefs all new directors with the policies of the Board, and other relevant corporate and business information.

ETHICAL BUSINESS CONDUCT

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual 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.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the Shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

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 the 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 time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

COMPENSATION OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Board sets the level of compensation for directors. The Board reviews compensation for the directors and CEO as needed, taking into account time commitment, comparative fees, risks and responsibilities, to ensure that the amount of compensation adequately reflects the responsibilities and risks of being a director and makes adjustments as deemed necessary.

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has an Audit Committee, a Corporate Governance Committee, and an Investment Committee.

ASSESSMENTS

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board. The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

SECTION 8 – ADDITIONAL INFORMATION

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at March 31, 2026, with respect to compensation plans under which equity securities of the Company are authorized for issuance.

EQUITY COMPENSATION PLAN INFORMATION

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	15,140,000	$1.30	5,616,414
Equity compensation plans not approved by securityholders	Nil	Nil	Nil

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, none of:

(a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;

(b) the proposed nominees for election as a director of the Company; or

(c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, and which was not entirely repaid on or before the date of this information circular.

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

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's most recently completed financial year, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership

of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors. The directors and executive officers of the Company are eligible to receive Options under the Stock Option Plan, as amended, and RSUs and DSUs under the New RSU/DSU Plan, and accordingly have an interest in the resolutions approving those plans.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "**Informed Person**" means (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed elsewhere in this Circular or in the Notes to the Company's Financial Statements for the two most recently completed financial years; the financial year ended March 31, 2026, and the ten-month period ended March 31, 2025, none of:

(a) the Informed Persons of the Company;

(b) the proposed nominees for election as a director of the Company; or

(c) any associate or affiliate of the foregoing persons,

has 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 or any subsidiary of the Company.

SECTION 9 – BOARD APPROVAL

The contents of this Information Circular have been approved and the delivery of it to each Shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 26th day of October, 2026.

/s/ *Derrick Pattenden*
Derrick Pattenden
Chief Executive Officer, President, and Director

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

NATIONS ROYALTY CORP.
(the "Company")

1. MANDATE

The primary function of the audit committee (the "**Audit Committee**") is to assist the Board of Directors (the "**Board**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditor; and
- provide an open avenue of communication among the Company's auditor, financial and senior management and the Board.

2. COMPOSITION

The Board will appoint from among their membership an audit committee after each annual meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must be "independent" (as defined in Sec. 1.4 of National Instrument 52-110 (Audit Committees)) ("**NI 52-110**").

2.2 Expertise of Committee Members

A majority of the members of the audit committee must be "financially literate" (as defined in Sec. 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

3. MEETINGS

The Committee shall meet in accordance with a schedule established each year by the Board, and at other times that the Committee may determine. Committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

a) Except as expressly provided in this Audit Committee Charter (the "**Charter**") or the Articles of the Company, the Committee shall fix its own rules of procedure.

b) At all meetings of the Committee, the presence of a majority of the members will constitute a quorum for the transaction of the business and the vote of a majority of the members present shall be the act of the Committee.

c) Members of the Committee may participate in a meeting of the Committee by conference telephone or similar communications equipment by means of which all people participating in the meeting can hear each other and participation in such a meeting will constitute presence in person at such a meeting.

d) Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all of its members consent in writing to the action and such writing is filed with the records of proceedings of the Committee.

e) Directors not on the Committee may attend meetings at the discretion of the Committee. At the invitation of the Chair, members of management and outside consultants shall attend Committee meetings.

4. ROLES AND RESPONSIBILITIES

The audit committee shall fulfil the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, or performing other audit, review or attest services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the audit committee shall:

(a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors;

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards; and

(f) an audit committee must review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public. An audit committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and must periodically assess the adequacy of those procedures

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the audit committee; and

(c) communicate directly with the internal and external auditors.

6. GUIDANCE – ROLES & RESPONSIBILITIES

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

(a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

(c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting

General

(a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

(b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

(c) understand industry best practices and the Company's adoption of them.

Annual Financial Statements

(a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;

(b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

(d) consider management's handling of proposed audit adjustments identified by the external auditors; and

(e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

(a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

(b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and

(c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

(i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

(ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Company's operations and financing practices;

(iii) generally accepted accounting principles have been consistently applied;

(iv) there are any actual or proposed changes in accounting or financial reporting practices;

(v) there are any significant or unusual events or transactions;

(vi) the Company's financial and operating controls are functioning effectively;

(vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 Compliance with Laws and Regulations

(a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";

(b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

(c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 Other Responsibilities

(a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.

SCHEDULE "B"

NATIONS ROYALTY CORP.

INCENTIVE STOCK OPTION PLAN

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

(a) "**Accelerated Vesting Event**" means the occurrence of any one of the following events:

(i) a take-over bid (as defined under applicable Securities Laws) is made for Common Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable Securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable Securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;

(ii) the acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable Securities Laws), directly or indirectly, of Common Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such Person or Persons, Persons associated with such person or persons, or persons affiliated with such Person or Persons (as determined under applicable Securities Laws) (collectively, the "**Acquirors**"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;

(iii) an amalgamation, merger, arrangement or other business combination (a "**Business Combination**") involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;

(b) "**Affiliate**" shall have the meaning ascribed thereto by the Exchange Policies;

(c) "**Associate**" shall have the meaning ascribed thereto by the Exchange Policies;

(d) "**Board**" means the board of directors of the Corporation or, as applicable, a committee consisting of not less than 3 directors of the Corporation duly appointed to administer this Plan;

(e) "**Charitable Stock Option**" means an Option under this Plan granted by the Corporation to an Eligible Charitable Organization;

(f) "**Charitable Organization**" means "charitable organization" as defined in the *Income Tax Act* (Canada) from time to time;

(g) "**Common Shares**" means the common shares in the capital of the Corporation;

(h) "**Consultant**" means, in relation to the Corporation, an individual (other than a Director, Officer or Employee of the Corporation or of any of its subsidiaries) or corporation that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any of its subsidiaries, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Corporation or any of its subsidiaries and the individual or the Corporation, as the case may be; and

(iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or of any of its subsidiaries.

(i) "**Consultant Company**" means a Consultant that is a corporation;

(j) "**Convertible Securities**" means any security of the Corporation which is convertible into Common Shares;

(k) "**Corporation**" means Nations Royalty Corp. and its successor entities;

(l) "**Director**" means a director (as defined under Securities Laws) of the Corporation or of any of its subsidiaries;

(m) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by shareholders of the Corporation at the shareholders' meeting excluding those votes attaching to voting shares of the Corporation beneficially owned by:

(i) the Persons that hold or will hold the Security Based Compensation in question; and

(ii) Associates and Affiliates of those Persons.

(n) "**Distribution**" has the meaning ascribed thereto by the Exchange;

(o) "**Eligible Charitable Organization**" means:

(i) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation; or

(ii) a Registered National Arts Service Organization;

(p) "**Eligible Person**" means

(i) a Director, Officer, Employee, Consultant or Management Company Employee of the Corporation or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; or

(ii) an Eligible Charitable Organization at the time the Option is granted;

(q) "**Employee**" means:

(i) an individual who is considered an employee of the Corporation or its subsidiary under the *Income Tax Act* (Canada) and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source;

(ii) an individual who works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or

(iii) an individual who works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or its subsidiary over the details and methods of work as an employee of the Corporation, as the case may be, but for whom income tax deductions are not made at source.

(r) "**Exchange**" means the TSX Venture Exchange or the NEX board of the TSX Venture Exchange, as the context requires, and any successor entity or the Toronto Stock Exchange on which the Common Shares may be listed;

(s) "**Exchange Policies**" means the policies, rules and procedures in place on the Exchange on which the Common Shares are listed;

(t) "**Exchange Hold Period**" has the meaning ascribed thereto in the Exchange Policies;

(u) "**Expiry Date**" means the last day of the term for an Option, as set by the Board at the time of grant in accordance with section 5.2 and, if applicable, as amended from time to time;

(v) "**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:

(i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or

(ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

(w) "**Insider**" means

(i) a director or senior officer of the Corporation;

(ii) a director or senior officer of a company that is an Insider or subsidiary of the Corporation;

(iii) a Person that beneficially owns or controls directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or

(iv) the Corporation itself if it holds any of its own securities.

(x) "**Investor Relations Activities**" has the meaning ascribed thereto in the Exchange Policies;

(y) "**Investor Relations Service Provider**" includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;

(z) "**Listed Shares**" means the Common Shares;

(aa) "**Management Company Employee**" means an individual employed by a corporation providing management services to the Corporation, which services are required for the ongoing successful operation of the business enterprise of the Corporation;

(bb) "**Material Information**" has the meaning ascribed thereto in the Exchange Policies;

(cc) "**Officer**" means an officer (as defined under Securities Laws) of the Corporation or of any of its subsidiaries;

(dd) "**Option**" means a non-transferable and non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;

(ee) "**Optionee**" means an Eligible Person of an Option granted by the Corporation;

(ff) "**Person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

(gg) "**Plan**" means this incentive stock option plan;

(hh) "**Private Foundation**" means "private foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;

(ii) "**Public Foundation**" means "public foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;

(jj) "**Registered Charity**" means "registered charity" as defined in the *Income Tax Act* (Canada) as amended from time to time;

(kk) "**Registered National Arts Service Organization**" means "registered national arts service organization" as defined in the *Income Tax Act* (Canada) as amended from time to time;

(ll) "**Securities Laws**" means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Corporation;

(mm) "**Security Based Compensation Plan**" has the meaning ascribed thereto in the Exchange Policies; and

(nn) "**Termination Date**" means the date on which an Optionee ceases to be an Eligible Person.

1.2 Interpretation

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2
ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

(a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation, its Affiliates and its subsidiaries, if any;

(b) encouraging Eligible Persons to remain with the Corporation, its Affiliates or its subsidiaries, if any; and

(c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

(a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the issued and outstanding Common Shares as at the date of grant of an Option. Common Shares reserved for issuance under the Corporation's Restricted Share Unit and Deferred Share Unit Compensation Plan, or any other security-based compensation plan approved by the shareholders of the Corporation, shall not reduce the number of Common Shares available for issuance under this Plan. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan. If the Corporation is listed on the NEX board of the TSX Venture Exchange, the maximum number of Options that may be reserved for issuance or issued in any 12-month period shall not exceed 10% of the issued and outstanding Common Shares of the Corporation as at the date of grant.

(b) If there is a change in the issued and outstanding Common Shares by reason of any adjustment, other than in connection with a share consolidation or split, the Board shall make, as it shall deem advisable and subject to the prior acceptance of the Exchange, if necessary, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization, appropriate substitution and/or adjustment in:

(i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;

(ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and

(iii) accelerated vesting related to Investor Relations vesting provisions are subject to the prior approval of the Exchange, and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

(c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.

(d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

(e) Share capital adjustments are subject to prior approval of the Exchange, if the Corporation is listed on the Exchange at the time, except where they relate to consolidations or splits.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required and any required shareholder approval. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3
ADMINISTRATION OF PLAN

3.1 Administration

(a) This Plan shall be administered by the Board or any committee established by the Board for the purpose of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:

(i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Optionee's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and

(ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 and 3.4 hereof.

(b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Optionees and all other Persons.

(c) For stock options granted to Directors, Officers, Employees, Consultants or Management Company Employees, the Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Director, Officer, Employee, Consultant or Management Company Employee, as the case may be.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approvals of any regulatory authority and shareholders whose approvals are required, suspend or terminate this Plan or any provision herein. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of

such Optionee. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Laws

(a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any Governmental Authority as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.

(b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the applicable Securities Laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

(c) Common Shares sold, issued and delivered to Optionees pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable Securities Laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

(d) All Options granted to Insiders and Consultants of the Corporation, and all Options granted with an exercise price that is less than the applicable Market Price for the Common Shares (as defined by the Exchange Policies) at the date of grant, to the extent permitted by this Plan, will be subject to the Exchange Hold Period, and will bear a legend indicating such hold period.

3.4 Tax Withholdings

(a) Notwithstanding any other provision contained herein, in connection with the exercise of an Option by an Optionee from time to time, as a condition to such exercise the Corporation shall require such Optionee to pay to the Corporation or the relevant Affiliate an amount as necessary so as to ensure that the Corporation or such Affiliate, as applicable, is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. In addition, the Corporation or the relevant Affiliate, as applicable shall be entitled to withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation or the relevant Affiliate is in compliance with the applicable provisions of any federal, provincial, local or foreign laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. The Corporation may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such

withholding obligations including, without limitation, requiring the Optionee to remit to the Corporation in advance, or reimburse the Corporation for, any such withholding obligations or (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

ARTICLE 4
OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions, subject to the limitations set forth herein.

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Optionee. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

(a) **To Insiders.** The aggregate number of Options granted or issued in any 12 month period to Insiders (as a group) pursuant to this Plan and any other Security Based Compensation Plan must not exceed 10% of the issued shares of the Corporation, calculated as at the date of grant (unless the Corporation has obtained the requisite Disinterested Shareholder Approval). In addition, the maximum number of Common Shares issuable pursuant to this Plan and any other Security Based Compensation Plan granted or issued to Insiders (as a group) must not exceed 10% of the issued shares of the Corporation at any point in time (unless the Corporation has obtained the requisite Disinterested Shareholder Approval).

(b) **To any one Person.** The aggregate number of Options granted or issued in any 12 month period to any one Person (and companies wholly owned by that Person) pursuant to this Plan and any other Security Based Compensation Plan must not exceed 5% of the issued shares of the Corporation, calculated as at the date of grant (unless the Corporation has obtained the requisite Disinterested Shareholder Approval).

(c) **To Consultants.** The aggregate number of Options granted or issued in any 12 month period to any one Consultant pursuant to this Plan and any other Security Based Compensation Plan must not exceed 2% of the issued shares of the Corporation, calculated as at the date of grant.

(d) **To Investor Relations Service Providers.** The aggregate number of Options granted or issued in any 12-month period to all Investor Relations Service Providers pursuant to this Plan must not exceed 2% of the issued shares of the Corporation, calculated as at the date of grant. If the Corporation is listed on the NEX board of the TSX Venture Exchange, no Options are permitted to be granted to Investor Relations Service Providers.

(e) **To Eligible Charitable Organizations.** The maximum aggregate number of Common Shares of the Corporation that are issuable pursuant to all outstanding Charitable Stock Options must not exceed 1% of the issued and outstanding Common Shares of the Corporation, calculated as at the date the Charitable Stock Option is granted to the Eligible Charitable Organization.

ARTICLE 5
OPTION TERMS

5.1 Exercise Price

(a) Subject to a minimum exercise price of $0.05 per Common Share, the exercise price per Common Share for an Option shall be determined by the Directors or their delegates if any, but will in no event be less than Market Price for the Common Shares (as defined by the Exchange Policies) at the date of grant.

(b) A minimum exercise price cannot be established unless the Options are allocated to particular Persons.

5.2 Expiry Date; Additional Terms

(a) Every Option granted shall, unless sooner terminated, have a term not exceeding and shall therefore expire no later than 10 years after the date of grant (subject to extension where the expiry date falls within a "blackout period", pursuant to section 5.7) hereof.

(b) A Charitable Stock Option must expire on or before the earlier of:

(i) the date that is 10 years from the date of grant of the Charitable Stock Option; and

(ii) the 90th day following the date that the holder of the Charitable Stock Option ceases to be an Eligible Charitable Organization.

(c) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of Options, or the extension of the term of an Option, if the Optionee is an Insider of the Corporation at the time of the proposed amendment.

5.3 Vesting

(a) Subject to section 5.3(b) herein and otherwise in compliance with the Exchange Policies, if the Corporation is listed on the Exchange at the time, the Board shall determine the manner in which an Option shall vest and become exercisable.

(b) Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months such that:

(i) no more than 1/4 of the Options vest no sooner than three months after the Options were granted;

(ii) no more than another 1/4 of the Options vest no sooner than six months after the Options were granted;

(iii) no more than another 1/4 of the Options vest no sooner than nine months after the Options were granted; and

(iv) the remainder of the Options vest no sooner than 12 months after the Options were granted.

5.4 Accelerated Vesting Event

Subject to section 2.2(b) and in compliance with the Exchange Policies, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and subject to the prior

acceptance of the Exchange, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to:

(a) accelerating the vesting of Options, conditionally or unconditionally;

(b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with the holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction;

(c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or

(d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

5.5 Non-Assignability

Options may not be assigned or transferred.

5.6 Ceasing to be Eligible Person

(a) If an Optionee who is a Director, Officer, Employee, Consultant or Management Company Employee is terminated for cause, each Option held by such Optionee shall terminate and therefore cease to be exercisable upon such termination for cause.

(b) If an Optionee dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Optionee shall be exercisable by the heirs or administrators of such Optionee and shall terminate and therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months from the date of the Optionee's death.

(c) Unless an option agreement specifies otherwise, if an Optionee ceases to be an Eligible Person for any reason other than death or termination for cause, each Option held by the Optionee other than an Investor Relations Service Provider will cease to be exercisable 90 days after the Termination Date or for a "reasonable period" after the Optionee ceases to serve in such capacity, as determined by the Board, with such "reasonable period" not exceeding 12 months following the Termination Date. For Investor Relations Service Providers, Options shall cease to be exercisable 30 days after the Termination Date.

(d) If any portion of an Option is not vested at the time an Optionee ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Optionee or its legal representative, as the case may be, provided that the Board may, in its discretion, thereafter permit the Optionee or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates.

5.7 Blackout Periods

An Option will be automatically extended past the expiry date of an Option governed by the Plan if such expiry date falls within a period (a "**blackout period**") during which the Corporation prohibits Optionees from exercising their Options provided that the following requirements are satisfied:

(a) The blackout period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information. For greater certainty, in the absence of the Corporation formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances.

(b) The blackout period must expire following the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten (10) business days after the expiry of the blackout period.

(c) The automatic extension of an Optionee's Options will not be permitted where the Optionee or the Corporation is subject to a cease trade order (or similar order under Securities Laws) in respect of the Corporation's securities.

(d) The automatic extension is available to all Eligible Persons under the Plan under the same terms and conditions.

ARTICLE 6
EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Optionee only upon the Optionee's delivery to the Corporation at its head office of:

(a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;

(b) a signed option agreement with respect to the Option being exercised;

(c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised, together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Securities Laws; and

(d) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of Securities Laws of any jurisdiction;

and on the business day following, the Optionee shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Optionee.

ARTICLE 7
AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option or the extension of the term of an Option if the Optionee is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires Exchange and shareholder approvals, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

ARTICLE 8
MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon an Optionee any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Optionee shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Optionee's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.

NATIONS ROYALTY CORP.

RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT COMPENSATION PLAN

NATIONS ROYALTY CORP.

(the "**Issuer**")

RESTRICTED SHARE UNIT AND
DEFERRED SHARE UNIT COMPENSATION PLAN
(the "**RSU/DSU Plan**"**)**

1. PURPOSE

(a) **Background.** The Issuer currently has in place the Stock Option Plan pursuant to which Options may be granted to purchase Shares. Subject to Section 14 hereof, the Issuer now also adopts this RSU/DSU Plan on the terms and conditions herein set forth (as may be amended from time to time) in order to provide the Issuer with flexibility in designing various equity-based compensation arrangements for the Directors, Employees, Consultants and other Persons engaged to provide ongoing services to the Issuer and its subsidiaries, other than Persons involved in Investor Relations Activities relating to the Issuer. Persons involved in Investor Relations Activities relating to the Issuer may not receive any security-based compensation, other than Options. Section 14 hereof sets forth the provisions concerning the effective date of the RSU/DSU Plan, its termination and application to Awards under the existing and continuing Stock Option Plan.

(b) **Purpose.** The purpose of this RSU/DSU Plan is to advance the interests of the Issuer by encouraging Directors, Employees and Consultants to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such Persons in the Issuer, (ii) aligning the interests of such Persons with the interests of the Issuer's shareholders generally, (iii) encouraging such Persons to remain associated with the Issuer, and (iv) furnishing such Persons with additional incentive in their efforts on behalf of the Issuer. The Board also contemplates that through the RSU/DSU Plan, the Issuer will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Issuer.

RSUs granted pursuant to this RSU/DSU Plan will be used to compensate Participants for their individual performance-based achievements and are intended to supplement stock option awards in this specific respect. The goal of such grants is to more closely tie Awards to individual performance-based on established Performance Criteria.

DSUs granted pursuant to this RSU/DSU Plan will be used as a means of reducing the cash payable by the Issuer in respect of a Participant's compensable amounts. In so doing, the interest of each Participant will become more closely aligned with those of the Issuer and its shareholders.

2. DEFINITIONS

For purposes of this RSU/DSU Plan, the following terms shall have the meaning set forth below:

(a) "**Accelerated Vesting Event**" means the occurrence of any one of the following events:

(i) the death of a Participant;

(ii) the cessation of a Participant to be an Eligible Person in connection with a Change of Control, take-over bid, Reverse Takeover, or other similar transaction; or

(iii) any other event pursuant to which the vesting of Awards may be accelerated in accordance with the policies and requirements of the TSXV, from time to time.

(b) "**Act**" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, or its successor, as amended from time to time.

(c) "**Affiliate**" has the meaning ascribed to that term in section 2 of Policy 1.1 of the TSXV.

(d) "**Awards**" means, collectively, RSUs and DSUs.

(e) "**Board**" means the board of directors of the Issuer.

(f) "**Cash Equivalent**" means the Fair Market Value multiplied by the number of vested Awards in the Participant's notional account on the settlement date of the applicable Awards.

(g) "**Cause**" means:

(i) with respect to a particular Employee, officer, Consultant, independent contractor, advisor, or Management Company Employee: (1) "cause" as such term is defined in the employment or other written agreement between the Issuer or an Affiliate and the Participant; (2) in the event there is no written employment or other applicable agreement between the Participant and the Issuer or an Affiliate, or "cause" is not defined in such agreement, "cause" as such term is defined in the agreements evidencing the grant; or (3) in the event neither clause (1) nor (2) apply, then "cause" as such term is defined by applicable law or, if not so defined, then any of the following will constitute "cause": (i) any breach of any written agreement between the Issuer and the Participant; (ii) any failure to perform assigned job responsibilities in a competent and diligent manner that continues unremedied for a period of thirty (30) days after written notice to the Participant by the Issuer, and a Participant shall only be entitled by such notice once per calendar year; (iii) the commission of a felony or misdemeanor or failure to contest prosecution for a felony or misdemeanor; (iv) the Issuer's reasonable belief that the Participant engaged in a violation of any statute, rule or regulation, any of which in the judgment of the Issuer is harmful to the Issuer's business or reputation; or (v) the Issuer's reasonable belief that the Participant engaged in unethical practices, dishonesty or disloyalty;

(ii) in the case of a Director, ceasing to be a Director as a result of (1) a resolution having been passed by the shareholders or (2) an order made by any Governmental Authority having jurisdiction to so order.

(h) "**Change of Control**" has the meaning ascribed to that term by the TSXV, provided that, for purposes of any Award that constitutes "deferred compensation" (within the meaning of Section 409A), the payment of which would be required upon, or accelerated upon, a Change of Control, a transaction will not be deemed a Change of Control for Awards granted to any Participant who is a U.S. Taxpayer unless the transaction qualifies as "a change in control event" within the meaning of Section 409A.

(i) "**Code**" means the United States *Internal Revenue Code of 1986*, as amended, and all regulations and guidance promulgated thereunder.

(j) **"Committee**" means the Board or, if the Board so determines in connection with Section 3 hereof, the committee of the Board authorized to administer the RSU/DSU Plan.

(k) "**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

(l) "**Consultant**" means an individual (other than an Employee or a Director) or Company of which the individual is an employee or shareholder, that:

(i) is engaged to provide, on an ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to any of its subsidiaries, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Issuer or any of its subsidiaries and the individual or the Company, as the case may be; and

(iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or of any of its subsidiaries.

(m) "**Deferred Share Unit**" or "**DSU**" means a right, granted in accordance with Section 6 hereof, to a Participant by the Issuer as compensation for employment or consulting services or services as a Director, to receive, for no additional cash consideration, Shares on a deferred basis, and which may be paid in cash and/or Shares of the Issuer.

(n) "**Director**" means a director, senior officer or Management Company Employee of the Issuer, or a director, senior officer or Management Company Employee of the Issuer's subsidiaries. Notwithstanding the foregoing, and solely with respect to U.S. Taxpayers, a Director shall be a director of the Issuer or the Issuer's subsidiaries who is not an Employee of the Issuer or the Issuer's subsidiaries.

(o) "**Disability**" means a physical injury or mental incapacity of a nature which the Committee determines prevents or would prevent the Grantee from satisfactorily performing the substantial and material duties of his or her position with the Issuer.

(p) "**Disinterested Shareholder Approval**" means the approval of disinterested shareholders obtained in accordance with the policies and requirements of the TSXV.

(q) "**Distribution**" has the meaning ascribed to that term by the TSXV.

(r) **"Dividend Equivalent Units**" has the meaning ascribed to such term as provided in Section 6(f) hereof.

(s) "**Effective Date**" means the date as of which an Award shall take effect, provided that the Effective Date shall not be a date prior to the date the Granting Authority determines an Award shall be made and, unless otherwise specified by the Granting Authority, the Effective Date will be the date the Granting Authority determines an Award shall be made.

(t) "**Eligible Person**" means, from time to time, any Director or Employee of the Issuer or of its subsidiary, or any Consultant, other than Persons involved in Investor Relations Activities relating to the Issuer. Notwithstanding the foregoing, with respect to any Consultant who is a U.S. Person or person in the United States, such Consultant shall be an "Eligible Person" only if the Consultant is a natural person; provides bona fide services, in its personal capacity, directly to the Issuer, its parents, its majority-owned subsidiaries or majority-owned subsidiaries of the Issuer's parent; and such services are not provided in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the Issuer's securities. For certainty, with respect to any

Consultant who is a U.S. Person or person in the United States, any Company of which an individual is an employee or shareholder shall not be an Eligible Person.

(u) "**Eligible Retirement**" means, if determined by the Granting Authority in its sole discretion, termination of service, under circumstances as shall constitute retirement for age as determined by the Granting Authority or in accordance with the written policies established by the Granting Authority as they may be amended or revised from time to time, and if no age is specified, age 60; provided that, solely with respect to a U.S. Taxpayer, a termination of service shall not constitute an Eligible Retirement unless deemed so by the Granting Authority in its sole and absolute discretion.

(v) "**Employees**" means:

(i) an individual who is considered an employee under the ITA (such as an individual for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at the source) of the Issuer or of its subsidiary;

(ii) an individual who works full-time for the Issuer or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or its subsidiary over the details and methods of work as an employee of the Issuer or its subsidiary, but for whom income tax deductions are not made at the source; or

(iii) an individual who works for the Issuer or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Issuer or its subsidiary over the details and methods of work as an employee of the Issuer or its subsidiary, but for whom income tax deductions are not made at the source.

(w) "**Exchange**" means the TSXV or such other stock exchange where the Shares are listed for trading as at the relevant time.

(x) "**Fair Market Value**" means, as of any date, the value of a Share determined as follows: (i) if the Shares are listed and posted for trading on the TSXV, the volume weighted average trading price of the Shares on the TSXV calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding such date; (ii) if the Shares are not listed and posted for trading on the TSXV, but are listed and posted for trading on another Exchange, the closing sales price for such Shares as quoted on such Exchange for the last trading day prior to such date, or if no such sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in such source the Board deems reliable; (iii) if the Shares are not listed and posted for trading on any Exchange, but are quoted on a national market or other quotation system, the closing sales price for such Shares for the last trading day prior to such date, or if no such sale occurred on such date, the last day preceding such date during which a sale occurred, as reported in such source the Board deems reliable; and (iv) if there is no established market for the Shares, such value as determined by the Board in its sole discretion.

(y) "**Grant Date**" means the date on which an Award is granted to a Participant.

(z) "**Granting Authority**" means the Board, the Committee or other committee, as applicable, that is charged with exercising the powers and responsibility as to a specific matter in question affecting this RSU/DSU Plan or an Award.

(aa) "**Insiders**" has the same meaning ascribed to that term by the TSXV.

(bb) "**Issuer**" means Nations Royalty Corp., a corporation existing under the Act, and includes any successor corporation thereof.

(cc) "**Investor Relations Activities**" has the same meaning ascribed to that term by the TSXV.

(dd) "**ITA**" means the *Income Tax Act* (Canada) and any regulations thereunder as amended from time to time.

(ee) "**Management Company Employee**" means an individual employed by a Person providing management services to the Issuer, which services are required for the ongoing successful operation of the business enterprise of the Issuer.

(ff) "**Option**" means an option granted in accordance with the terms of the Stock Option Plan to purchase a Share.

(gg) "**Participants**" or "**Grantees**" means those individuals to whom Awards have been granted from time to time under the RSU/DSU Plan.

(hh) "**Performance Criteria**" means such financial, personal and/or other performance criteria as may be determined by the Granting Authority with respect to Awards of RSUs and, for greater certainty, the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Issuer and any other factors which the Granting Authority deems appropriate and relevant.

(ii) "**Person**" means a Company or an individual.

(jj) "**Restricted Period**" means the period established by the Granting Authority with respect to an Award during which the Award either remains subject to forfeiture or is not exercisable by the Participant.

(kk) "**Restricted Share Unit**" or "**RSU**" means a right, granted in accordance with Section 6 hereof, to a Participant by the Issuer as compensation for employment or consulting services or services as a Director, to receive, for no additional cash consideration, Shares upon specified vesting criteria being satisfied, and which may be paid in cash and/or Shares of the Issuer.

(ll) "**Reverse Takeover**" has the meaning ascribed to that term by the TSXV.

(mm) "**RSU/DSU Plan**" means this Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended and restated from time to time.

(nn) "**Section 409A**" means Section 409A of the Code, and all regulations and guidance promulgated thereunder.

(oo) "**Shareholder Approval Date**" means the date on which this RSU/DSU Plan is approved by the shareholders of the Issuer.

(pp) "**Shares**" means the common shares of the Issuer.

(qq) "**Stock Option Plan**" means the Issuer's stock option plan as it exists on the date hereof and as may be amended from time to time.

(rr) "**Termination**" means: (i) in the case of an Employee, the termination of the employment of the Employee with or without Cause by the Issuer or its subsidiary or the cessation of

employment of the Employee with the Issuer or its subsidiary, other than the Eligible Retirement, of the Employee; and (ii) in the case of a Consultant, the termination of the services of the Consultant by the Issuer or its subsidiary. Notwithstanding the foregoing, with respect to a U.S. Taxpayer, to the extent that an Award represents "deferred compensation" subject to Section 409A, an event shall only constitute a Termination if it is a "separation from service" as such term is defined under Section 409A.

(ss) "**TSXV**" means the TSX Venture Exchange.

(tt) "**TSXV Hold Period**" means the day that is four months after the date of granting of the Award.

(uu) "**U.S. Person**" means a "U.S. person" within the meaning of Regulation S under the United States *Securities Act of 1933*, as amended.

(vv) "**U.S. Taxpayer**" means a Participant who, with respect to an Award, is subject to taxation under the Code.

(ww) "**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

(xx) "**Vested**" or "**Vesting**" means, with respect to an Award, that the applicable conditions established by the Granting Authority or this RSU/DSU Plan have been satisfied or, to the extent permitted under the RSU/DSU Plan, waived, whether or not the Participant's rights with respect to such Award may be conditioned upon prior or subsequent compliance with any confidentiality, non-competition or non-solicitation obligations.

3. ADMINISTRATION

(a) **Powers of the Board and the Committee.** Subject to and consistent with the terms of the RSU/DSU Plan, applicable law and applicable rules of the Exchange, and subject to the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Board will have the general power to administer the RSU/DSU Plan in accordance with its terms (including all powers specified in clause 3(a)(ii) hereof) and make all determinations required or permitted to be made, provided, however, that the Board may delegate all or any portion of such powers to the Committee or to other committees and provided, further, that with respect to Awards to Eligible Persons, the Committee shall have such powers as are set forth in clause 3(a)(i) hereof.

(i) Specific Provisions Concerning Delegation of Authority to the Committee. In addition to any authority of the Committee specified under any other terms of the RSU/DSU Plan, and insofar as Awards under the RSU/DSU Plan are to be made to Eligible Persons, the Committee will make recommendations to the Board with respect to Awards.

The foregoing shall not limit the Board in delegating any other powers to the Committee or in delegating any or all determinations or other powers with respect to certain types of Awards, including the full power to make Awards and to exercise the other powers set forth in clause 3(a)(ii) hereof and the other powers granted herein to the Granting Authority.

(ii) Specific Powers of the Granting Authority. Without limiting subsection 3(a) hereof, the powers of the Granting Authority shall include the powers to, subject to compliance with subsection 10(c) hereof:

(1) interpret the RSU/DSU Plan and instruments of grant evidencing the Awards;

(2) prescribe, amend and rescind such procedures and policies, and make all determinations it deems necessary or desirable for the administration and interpretation of the RSU/DSU Plan and instruments of grant evidencing Awards;

(3) determine those Persons who are eligible to be Participants, grant one or more Awards to such Persons and approve or authorize the applicable form and terms of the related instrument of grant;

(4) determine the terms and conditions of Awards granted to any Participant, including, without limitation, and subject always to the RSU/DSU Plan (1) subject to subsection 4(b) and 4(c), the type, and number of Shares subject to an Award, (2) the conditions to the Vesting of an Award or any portion thereof, including terms relating to lump sum or instalment Vesting, the period for achievement of any applicable Performance Criteria as a condition to Vesting and the conditions, if any, upon which Vesting of any Award or portion thereof will be waived or accelerated without any further action by the Granting Authority, (3) the circumstances upon which an Award or any portion thereof shall be forfeited, cancelled or expire, (4) the consequences of a Termination with respect to an Award, (5) the manner of exercise or settlement of the Vested portion of an Award, including whether an Award shall be settled on a current or deferred basis, and (6) whether and the terms upon which any Shares delivered upon exercise or settlement of an Award must continue to be held by a Participant for any specified period;

(5) set forms of consideration, if any, to be paid with respect to the settlement of an Award (except to the extent certain forms of consideration must be paid to satisfy the requirements of applicable law);

(6) determine whether and the extent to which any Performance Criteria or other conditions applicable to Vesting of an Award have been satisfied or shall be waived or modified;

(7) subject to receipt of all requisite Exchange or shareholder approvals required in respect of any amendment under the terms of this Plan or the policies of the Exchange, amend the terms of any instrument of grant or other documents evidencing Awards; provided, however, that other than permitted under subsection 5(d) hereof, no amendment of an Award may, without the consent of the holder of the Award, adversely affect such Person's rights with respect to such Award in any material respect;

(8) accelerate or waive any condition to the Vesting of any Award, all Awards, any class of Awards or Awards held by any group of Participants; and

(9) determine whether and the extent to which adjustments shall be made pursuant to Section 9 hereof and the terms of any such adjustments.

However, the Granting Authority shall not have any discretion under this subsection 3(a) or any other provisions of the RSU/DSU Plan that would modify the terms or conditions of any Award that is intended to be exempt from the definition of "salary deferral arrangement" in the ITA if the exercise of such discretion would cause the Award to not be or cease to be

exempt. The Granting Authority will also exercise its discretion in good faith in accordance with the Issuer's intention that the terms of the instrument of grant evidencing the Awards and the modifications or waivers permitted hereby are in compliance with applicable law and the rules of the Exchange.

(b) **Effects of Granting Authority's Decision.** Any action taken, interpretation or determination made, or any rule or regulation adopted by the Granting Authority pursuant to this RSU/DSU Plan shall be made in its sole discretion and shall be final, binding and conclusive on all affected Persons, including, without limitation, the Issuer, any of its subsidiaries, any Grantee, holder or beneficiary of an Award, any shareholder and any Eligible Person.

(c) **Liability Limitation and Indemnification.** No member of the Granting Authority or the Board generally shall be liable for any action or determination made in good faith pursuant to the RSU/DSU Plan or any instrument of grant evidencing any Award granted under the RSU/DSU Plan. To the fullest extent permitted by law, the Issuer shall indemnify and save harmless, and shall advance and reimburse the expenses of, each Person made, or threatened to be made, a party to any action or proceeding in respect of the RSU/DSU Plan by reason of the fact that such Person is or was a member of the Granting Authority or is or was a member of the Board in respect of any claim, loss, damage or expense (including legal fees) arising therefrom.

(d) **Delegation and Administration.** The Granting Authority may, in its discretion, delegate such of its powers, rights and duties under the RSU/DSU Plan, in whole or in part, to such committee, Person or Persons as it may determine, from time to time, on terms and conditions as it may determine, except the Granting Authority shall not, and shall not be permitted to, delegate any such powers, rights or duties: (i) with respect to the grant, amendment, administration or settlement of any Award of a Participant, (ii) with respect to the establishment or determination of the achievement of the Performance Criteria, or (iii) with respect to any matter that would be in violation of applicable law or the rules of any Exchange. The Granting Authority may also appoint or engage a trustee, custodian or administrator to administer and implement the RSU/DSU Plan or any aspect of it, subject to the exception of the immediately preceding sentence hereof.

(e) **Bona Fide Employees, Consultants and Management Company Employees**. For Awards granted to Employees, Consultants or Management Company Employees, the Issuer and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

4. SHARES SUBJECT TO THE PLAN

(a) **Aggregate Plan Limits.** Subject to adjustment pursuant to Section 9 hereof, the maximum aggregate number of Shares that may be reserved for issue at any given time in connection with the Awards granted under this RSU/DSU Plan (including any Shares reserved for issue under this RSU/DSU Plan on account of additional Awards credited to Participants in respect of dividend equivalents under Section 6(f)) shall not exceed **15,530,563** Shares (being 10% of the issued and outstanding Shares as at **October 26, 2026**, the record date for the meeting of shareholders at which this RSU/DSU Plan was approved) unless shareholder approval for an additional listing of Shares under this RSU/DSU Plan has been obtained.

(b) **Certain Additional Limits.** Notwithstanding anything to the contrary in this RSU/DSU Plan, as long as the Shares are listed on the TSXV,

(i) the number of Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Shares which may be reserved for issue pursuant to any other

employee-related plan of the Issuer or options for services granted by the Issuer, including the Stock Option Plan, to any one Person within a 12 month period shall not exceed in the aggregate 5% of the number of Shares issued and outstanding on a non-diluted basis on the Grant Date unless the Issuer has received Disinterested Shareholder Approval;

(ii) the number of Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer, including the Stock Option Plan, to all Insiders, as a group, shall not exceed 10% of the number of Shares issued and outstanding on a non-diluted basis at any point in time unless the Issuer has received Disinterested Shareholder Approval;

(iii) the number of Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with the Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer, including the Stock Option Plan, to all Insiders, as a group, within a 12 month period shall not exceed in the aggregate 10% of the number of Shares issued and outstanding on a non-diluted basis on the Grant Date unless the Issuer has received Disinterested Shareholder Approval; and

(iv) the number of Shares which may be reserved for issue pursuant to this RSU/DSU Plan together with those Shares which may be reserved for issue pursuant to any other employee-related plan of the Issuer or options for services granted by the Issuer, including the Stock Option Plan, to any one Consultant in any 12-month period shall not exceed 2% of the number of Shares issued and outstanding on a non-diluted basis on the Grant Date.

For the purposes of determining compliance with the above restrictions, the Granting Authority will take into account Shares reserved or issued pursuant to Options together with Shares reserved or issued pursuant to all of the Issuer's security-based compensation arrangements (including this RSU/DSU Plan and including any Shares reserved for issue under this RSU/DSU Plan on account of additional Awards credited to Participants in respect of dividend equivalents under Section 6(f)) to the extent required by applicable law and applicable rules of the TSXV.

(c) **Source of Shares.** Except as expressly provided in the RSU/DSU Plan, Shares delivered to Participants in connection with the exercise or settlement of Awards may be authorized but unissued Shares, or Shares purchased in the open-market or in private transactions. The Board shall take such action as may be necessary to authorize and reserve for issue from unissued Shares such number of Shares as may be necessary to permit the Issuer to meet its obligations under the RSU/DSU Plan, provided, however, that the Issuer may satisfy its obligations from treasury shares or Shares purchased in the open market or private transactions.

(d) **Legends.** In addition to any resale restrictions required under applicable securities laws or the policies of the TSXV, all Awards issued to Insiders and any Shares issued upon the Vesting of the Awards prior to the expiry of the TSXV Hold Period, must be legended as prescribed under the policies of the TSXV with the TSXV Hold Period commencing on the date the Awards were granted.

5. GENERAL PROVISIONS RELATING TO AWARDS

(a) **Eligibility.** Awards will be granted only to those Persons who are, at the time of the grant, Eligible Persons. If any Participant is (pursuant to the terms of his or her employment or otherwise) subject to a requirement that he or she not benefit personally from an Award, the

Granting Authority may grant any Award to which such Person would otherwise be entitled to the Person's employer or to any other entity designated by them that directly or indirectly imposes such requirement on the Person. No Awards may be granted unless the Award is allocated to a particular Person or Persons. The Granting Authority shall have the power to determine other eligibility requirements with respect to Awards or types of Awards.

(b) **Terms of Grant.** Subject to the other express terms of this RSU/DSU Plan, grants of Awards under the RSU/DSU Plan shall contain such terms and conditions as the Granting Authority may specify. Without limiting the foregoing,

(i) Each Award granted under the RSU/DSU Plan shall be evidenced by an instrument of grant, in such form or forms as the Granting Authority shall approve from time to time, which shall set forth such terms and conditions consistent with the terms of the RSU/DSU Plan as the Granting Authority may determine. Each instrument of grant shall set forth, at a minimum, the type and Effective Date of the Award evidenced thereby, the number of Shares subject to such Awards and the applicable Vesting conditions. Reference in the RSU/DSU Plan to an instrument of grant shall include any supplements or amendments thereto.

(ii) The term or Restricted Period of each Award that is an RSU shall be for such period as may be determined by the Granting Authority, provided, however, that in no event shall the term of any RSU exceed a period of 10 years (or such other shorter term as may be required in respect of an Award so that such Award does not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA), subject to extension of such term where such term expires during the Restricted Period, provided that such extension may not be longer than 10 business days after the expiry of the Restricted Period.

(iii) The terms, conditions and/or restrictions contained in an Award may differ from the terms, conditions and restrictions contained in any other Awards.

(iv) The Granting Authority may specify such other terms and conditions, consistent with the terms of the RSU/DSU Plan, as the Granting Authority shall determine or as shall be required under any other provisions of the RSU/DSU Plan. Such terms may include, without limitation, provisions requiring forfeiture of Awards in the event of termination of employment by the Participant and provisions permitting a Participant to make elections relating to his or her Award.

(c) **Vesting Conditions.** Subject to the terms of the RSU/DSU Plan, the Granting Authority shall determine any and all conditions to the Vesting of all and/or any portion of Awards and shall specify the material terms thereof in the applicable instrument of grant on, or as soon as reasonably practicable following, the Effective Date of the Award. Vesting of an Award, or portion thereof, may be conditioned upon passage of time, continued employment, satisfaction of Performance Criteria, or any combination of the foregoing, as determined by the Granting Authority.

(d) **Change of Control.** Unless otherwise provided in the Award or by direction of the Granting Authority as to all or any type of number of Awards, in the event of a Change of Control and notwithstanding any other Vesting or other restrictions or conditions, the Granting Authority may take whatever action with respect to the Awards outstanding that it deems necessary or desirable, including the following:

(i) The Granting Authority may waive all restrictions and conditions of all RSUs and DSUs then outstanding with the result that those types of Awards shall be deemed

satisfied, and the Restricted Period or other limitations on payment in full with respect thereto shall be deemed to have expired, as of the date of the Change of Control or such other date as may be determined by the Granting Authority, provided that, in no event shall a payment be made in respect of a DSU granted to a Participant prior to the date such Participant ceases to be an Employee or Director of the Issuer or of a subsidiary.

(ii) Notwithstanding the above provision of this subsection 5(d), but subject to any contractual rights created by the terms of an Award, the Granting Authority shall not be required to take any action described in the preceding provisions, and any decision made by the Granting Authority, in its sole discretion, not to take some or all of the actions described in the preceding provisions shall be final, binding and conclusive with respect to the Issuer and all other interested Persons. Any acceleration of Vesting shall be deemed to have occurred immediately prior to the Change of Control, no matter when the determination of the Granting Authority occurs.

(iii) If approved by the Board prior to or within 30 days after such time as a Change of Control shall be deemed to have occurred, the Board shall have at any time the right to require that all or any portion of the Awards be settled and discharged in cash based on the "cash value" of such Awards in lieu of settlement by issue of Shares. Such requirement may be specified in any arrangement relating to such Change of Control transaction to which the Issuer is a party or may be specified in any notice sent by the Issuer, which arrangement or notice may also specify the terms and timing of such settlement. If not so specified, the Board may require settlement at any time within a 45-day period immediately following the date that the Change of Control is deemed to have occurred. The Issuer may require Participants to verify the amount and completeness of any settlement of Awards as a condition to the final settlement and payment.

(e) **Fractional Shares.** No fractional Shares shall be issued under the RSU/DSU Plan and there shall be no entitlement or payment for any fractional Shares and no payment shall be made in lieu of a fractional Share.

(f) **Compliance with the ITA.** The terms and conditions applicable to any Award (or portion thereof) granted to a Participant who is subject to taxation under the ITA are intended to comply with the ITA. Without limiting the foregoing,

(i) the terms of any such Award (or portion thereof) permitting the deferral of payment or other settlement thereof shall be subject to such requirements and shall be administered in such manner as the Committee may determine to be necessary or appropriate to comply with the applicable provisions of the ITA as in effect from time to time; and

(ii) any elections allowed to be exercised by a Participant shall be deemed to be void or shall be deemed amended or altered so as not to cause the Award to be considered a "salary deferral arrangement" under the ITA, as defined in subsection 248(1) or create adverse tax consequences under the ITA.

6. RSUS AND DSUS

(a) **Grants.** The Granting Authority may from time to time grant one or more Awards of RSUs and/or DSUs to Eligible Persons on such terms and conditions, consistent with the RSU/DSU Plan, as the Granting Authority shall determine and which terms shall be contained in a grant

agreement substantially in the form annexed hereto as schedule A (in respect of RSUs) and schedule B (in respect of DSUs).

(b) **Vesting Terms.** RSUs shall become Vested at such times, in such instalments and subject to such terms and conditions consistent with subsection 5(c) hereof as may be determined by the Granting Authority and set forth in the applicable instrument of grant, and provided that the conditions to Vesting of RSUs may be based on the Participant's continued employment and having regard to the satisfaction of any Performance Criteria established by the Granting Authority, provided however that RSUs shall become Vested and be paid out no later than December 31 of the third calendar year following the calendar year in which the Grantee rendered the services in respect of which the Award is being made. Unless otherwise provided at the time of the grant, the Vesting of DSUs shall occur at such times, in such instalments and subject to such terms and conditions as may be determined by the Granting Authority and set forth in the applicable instrument of grant. Notwithstanding the foregoing, in no event, other than an Accelerated Vesting Event, shall an Award, or any portion of an Award, be granted with a Vesting date that is less than one year following the Effective Date of the Award.

(c) **Settlement.**

(i) Unless otherwise determined by the Granting Authority (including by the terms of the instrument of grant evidencing the Award of the RSU/DSU Plan) and subject to the below and to subsection 6(b) hereof, RSUs shall be settled upon or as soon as reasonably practicable following the Vesting thereof and, subject to subsections 7(a) and 7(b), DSUs shall be settled on the third business day (or such other period of time as permitted by the Granting Authority under the grant agreement) following the Eligible Retirement, Disability or death of the applicable Participant or at the time of Termination, subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of this RSU/DSU Plan. Notwithstanding the foregoing, upon the death of the Participant, all unvested RSUs credited to the Participant will Vest on the date the Issuer is duly notified of the Participant's death. The Shares represented by the RSUs held by the Participant shall be issued, as determined by the Granting Authority, to the Participant's estate forthwith. Notwithstanding anything to the contrary in the foregoing, with respect to RSUs held by a U.S. Taxpayer, such RSUs shall be settled no later than March 15 of the calendar year following the calendar year during which the RSUs Vest.

(ii) Settlement of RSUs and DSUs in Shares shall be made by delivery of one Share for each such RSU or DSU then being settled.

(iii) Upon payment of any amount pursuant to settlement of RSUs or DSUs granted under this Section 6 in Shares, the particular RSUs or DSUs in respect of which such payment was made shall be cancelled and no further payments (whether in Shares or otherwise) shall be made in relation to such RSUs or DSUs.

(iv) If any RSU or DSU is cancelled in accordance with the terms of the RSU/DSU Plan or the agreements evidencing the grant, the Shares reserved for issue pursuant to such Award shall, upon cancellation of such RSU or DSU, as applicable, revert to the RSU/DSU Plan and shall be available for other Awards.

(d) **No Rights as Shareholder**. Neither the Participant nor his or her legal personal representative shall have any rights or privileges of a shareholder in respect of any of the Shares issuable upon settlement of the Award granted to him or her (including any right to

receive dividends or other distributions therefrom or thereon) unless and until certificates representing such Shares have been issued and delivered.

(e) **Timing Requirements.** Notwithstanding any other provision of the RSU/DSU Plan, all amounts payable to, or in respect of a Grantee in respect of DSUs including, without limitation, the delivery of Shares, shall not be made prior to the date such Grantee ceases to be an Eligible Person and shall be paid or delivered (i) with respect to a Grantee who is not a U.S. Taxpayer, on or before December 31 of the calendar year commencing immediately following the date the Grantee ceases to be an Eligible Person and (ii) with respect to a Grantee who is a U.S. Taxpayer, as soon as administratively practicable following the Eligible Retirement, Disability, death, or Termination of the applicable Grantee. All DSUs granted to a Participant shall have such terms and conditions as are necessary to comply with paragraph 6801(d) of the Regulations of the ITA.

(f) **Dividend Equivalents.** Unless otherwise determined by the Board and set forth in the terms of the Award, RSUs and DSUs shall be credited with dividend equivalents in the form of additional RSUs and DSUs (the "**Dividend Equivalent Units**"), respectively, as of each dividend payment date in respect of which normal cash dividends are paid on Shares. Such dividend equivalents shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs and DSUs, as applicable, held by the Participant on the record date for the payment of such dividend, by (b) the Fair Market Value at the close of the first business day immediately following the dividend record date, with fractions computed to three decimal places. Dividend equivalents credited to a Participant's accounts shall vest in proportion to the RSUs and DSUs to which they relate and will be subject to the same terms, including time of settlement, as the RSUs or DSUs to which they relate. Notwithstanding Section 6(c), if the Issuer does not have a sufficient number of Shares which may be reserved for issue under this RSU/DSU Plan to satisfy its obligations in respect of any Dividend Equivalent Units credited to a Participant's account pursuant to this Section 6(f), then in order to settle such Dividend Equivalent Units for which there are insufficient Shares reserved, the Issuer shall deliver to the applicable Participant or Participants, pro rata or in such other proportion as the Board may determine, in its sole discretion, an amount in cash equal to the Cash Equivalent for such Dividend Equivalent Units.

The foregoing does not obligate the Issuer to declare or pay dividends on Shares and nothing in the RSU/DSU Plan shall be interpreted as creating such an obligation.

(g) **No Other Benefit**.

(i) No amount will be paid to, or in respect of, a Participant (or a Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the RSU/DSU Plan to compensate for a downward fluctuation in the price of a Share or the value of any Award granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant (or a person with whom the Participant does not deal at arm's length within the meaning of the ITA), for such purpose.

(ii) The Issuer makes no representations or warranties to Participants with respect to the RSU/DSU Plan or any RSUs or DSUs whatsoever. Participants are expressly advised that the value of any RSUs or DSUs in the RSU/DSU Plan will fluctuate as the trading price of the Shares fluctuates.

(iii) In seeking the benefits of participation in the RSU/DSU Plan, a Participant agrees to exclusively accept all risks associated with a decline in the trading price of the Shares and all other risks associated with the holding of RSUs or DSUs.

7. CONSEQUENCES OF TERMINATION

(a) **General Provisions.** Unless otherwise determined by the Granting Authority (including by the terms of the instrument of grant evidencing the Award or the RSU/DSU Plan):

(i) Upon Termination of employment or service of a Grantee for any reason whatsoever other than death, total Disability, Eligible Retirement or termination without Cause by the Issuer, subject to subsection 6(b) hereof, any non-Vested Award granted pursuant to the RSU/DSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.

(ii) Upon Termination of employment or service of a Grantee for Cause or as a result of retirement which is not Eligible Retirement or as a result of the resignation of the Grantee, subject to subsection 6(b) hereof, any non-Vested Award granted pursuant to the RSU/DSU Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.

(b) **Discretion of the Granting Authority.** Subject to the approval of the Exchange (as applicable) and the terms of this RSU/DSU Plan, and specifically subsection 10(c) hereof, and without limiting the discretion of the Granting Authority, the Granting Authority may (whether by terms of the instrument of grant evidencing the Award or by its election notwithstanding the terms of an Award):

(i) allow non-Vested Awards to be treated as Vested upon Termination of employment or service of a Participant in the case of an Accelerated Vesting Event;

(ii) provide that the Awards with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants;

(iii) subject to receipt of all requisite Exchange or shareholder approvals required in respect of any amendment under the terms of this Plan or the policies of the Exchange, provide for the continuation of any Award for such period which is not longer than 12 months and upon such terms and conditions as are determined by the Granting Authority in the event that a Participant ceases to be an Eligible Person; or

(iv) set any other terms for the exercise or termination of Awards upon termination of employment or service.

Notwithstanding the foregoing, all Awards granted to Participants who are subject to the ITA shall be on terms that will be designed to prevent them from being considered a "salary deferral arrangement" as defined in subsection 248(1) of the ITA.

(c) **Leave of Absence.** If an Employee is on sick leave or other bona fide leave of absence, such Person shall be considered an "Employee" for purposes of an outstanding Award during the period of such leave, provided that it does not exceed 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), or, if longer, so long as the Person's right to reemployment is guaranteed either by statute or by contract. If the period of leave exceeds 90 days (or such longer period as may be determined by the Granting Authority in its sole discretion), the employment relationship shall be deemed to have been terminated on the 91st day (or the first day immediately following any period of leave in excess of 90 days as approved by the Granting Authority) of such leave, unless the Person's right to reemployment is guaranteed by statute or contract.

8. **TRANSFERABILITY**

(a) **Transfer Restrictions.** Unless otherwise provided in the instrument of grant evidencing an Award, no Award, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for payment of the Participant's debts, judgments, alimony or separate maintenance.

(b) **Transfer upon Death of Participant.** In the case where transfer is made following the death of a Participant to the Participant's legal personal representative, such legal personal representative may only receive the entitlement under the Award provided that it is exercised (if exercisable) at any time up to and including, but not after, 5:00 p.m. (Vancouver time) on the date which is one year following the date of death of the Participant or up to 5:00 p.m. (Vancouver time) on the date on which the Award granted to such Participant expires, whichever is the earlier; such entitlement shall only occur in cases where the Award has Vested in accordance with the provisions of the RSU/DSU Plan and where it is found that the Participant is legally entitled to the Award.

9. **ADJUSTMENTS**

(a) **No Restriction on Action.** The existence of the RSU/DSU Plan and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the shareholders of the Issuer to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the capital structure or business of the Issuer, (ii) any merger, consolidation, amalgamation or change in ownership of the Issuer, (iii) any issue of bonds, debentures, capital, preferred or prior preference shares ahead of or affecting the capital Share of the Issuer or the rights thereof, (iv) any dissolution or liquidation of the Issuer, (v) any sale or transfer of all or any part of the assets or business of the Issuer, or (vi) any other corporate act or proceeding with respect to the Issuer. No Participant or any other Person shall have any claim against any member of the Board or the Granting Authority, or the Issuer or any employees, officers or agents of the Issuer as a result of any such action.

(b) Recapitalization Adjustment

(i) In the event that (A) a dividend shall be declared upon the Shares or other securities of the Issuer payable in Shares or other securities of the Issuer, (B) the outstanding Shares shall be changed into or exchanged for a different number or kind of shares or securities of the Issuer or of another corporation or entity, whether through an arrangement, plan of arrangement, amalgamation, or other similar statutory procedure or a share recapitalization, subdivision, consolidation or otherwise, (C) there shall be any change, other than those specified in (A) or (B) above, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, or (D) there shall be a distribution of assets or shares to shareholders of the Issuer out of the ordinary course of business then, the Granting Authority shall determine, subject to the prior acceptance of the Exchange (except in relation to a Share consolidation or split), whether an adjustment in the number of kind of Shares theretofore authorized but not yet covered by Awards, in the number or kind of Shares theretofore subject to outstanding Awards, in the number or kind of Shares generally available for Awards or available in any calendar year under the RSU/DSU Plan and/or such other adjustment as may be appropriate should be made, in order to ensure that, after any

such event, the Shares subject to the RSU/DSU Plan and each Participant's proportionate interest shall be maintained substantially as before the occurrence of the event, and if the Granting Authority determines that an adjustment should be made, such adjustment shall be made and be effective and binding for all purposes.

(ii) Any adjustment to any Award granted to a Participant which has been designed to fall within a specific exemption to the definition of "salary deferral arrangement" in subsection 248(1) of the ITA shall be such as to ensure the continued availability of such exemption.

10. AMENDMENT AND TERMINATION

(a) **General.** Subject to the provisions of subsection 10(c) hereof, and subject to any required approval of the Exchange, and any required shareholder approval, the Board may amend, suspend or terminate this RSU/DSU Plan, or any portion thereof, at any time.

(b) **Amendments Specifically Permitted.** Without limiting the generality of the foregoing, the Board may make the following types of amendments to the RSU/DSU Plan without seeking shareholder approval (unless and to the extent prohibited by applicable law or rule of an Exchange):

(i) amendments of a technical, clerical or "housekeeping" nature including, without limiting the generality of the foregoing, any amendments for the purpose of curing any ambiguity, error or omission in the RSU/DSU Plan or to correct or supplement any provision of the RSU/DSU Plan that is inconsistent with any other provision of the RSU/DSU Plan, provided that such amendments do not have the effect of altering the scope, nature and intent of such provisions;

(ii) amendments necessary to comply with the provisions of applicable law and the applicable rules of the Exchange; and

(iii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law or the rules of the Exchange.

(c) **Shareholder Approval.** To the extent required by applicable law or by the rules of the Exchange, shareholder approval will be required for the following types of amendments:

(i) any amendment extending the term of an Award beyond its original expiry date or decreasing any exercise price of an Award, except as otherwise permitted by the RSU/DSU Plan;

(ii) any amendment extending the term of an Award beyond its original expiry date or decreasing any exercise price of an Award if the Grantee is an Insider at the time of the proposed amendment (which would require Disinterested Shareholder Approval);

(iii) any amendment extending eligibility to participate in the RSU/DSU Plan to persons other than Eligible Persons;

(iv) any amendment increasing the maximum aggregate number of Shares that may be subject to issue at any given time in connection with Awards granted under the RSU/DSU Plan;

(v) any amendment to these amendment provisions;

(vi) the adoption of any option exchange involving an Award; and

(vii) any other amendment required to be approved by shareholder under applicable law or rules of an Exchange.

To the extent of any conflict between subsection 10(b) and subsection 10(c) hereof, subsection 10(c) shall prevail.

11. REGULATORY APPROVAL

Notwithstanding anything herein to the contrary, the Issuer shall not be obligated to cause to be issued any Shares or cause to be issued and delivered any certificates evidencing Shares pursuant to the RSU/DSU Plan, unless and until the Issuer is advised by its legal counsel that the issue and delivery of the Shares and such Share certificates is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada, the United States and any other applicable jurisdiction, and the requirements of the Exchange. The Issuer shall in no event be obligated to take any action in order to cause the issue or delivery of Shares or such certificates to comply with any such laws, regulations, rules, orders or requirements. The Granting Authority may require, as a condition of the issue and delivery of such Shares or certificates and in order to ensure compliance with such laws, regulations, rules, orders and requirements, that the Participant, or any permitted transferee of the Participant under Section 8 hereof or, after his or her death, the Participant's estate, as described in Section 8 hereof, make such covenants, agreements and representations as the Granting Authority deems necessary or desirable.

12. NO ADDITIONAL RIGHTS

No Person shall have any claim or right to be granted Awards under the RSU/DSU Plan, and the grant of any Awards under the RSU/DSU Plan shall not be construed as giving a Participant any right to continue in the employment of the Issuer or affect the right of the Issuer to terminate the employment of a Participant. Unless otherwise determined by the Granting Authority, neither any period of notice, if any, nor any payment in lieu thereof, upon Termination shall be considered as extending the period of employment for the purposes of the RSU/DSU Plan.

13. MISCELLANEOUS PROVISIONS

(a) **Shareholder Rights.** A Participant entitled to Shares as result of the settlement of an RSU or DSU shall not be deemed for any purpose to be, or have any such rights as a shareholder of the Issuer by virtue of such settlement, except to the extent the Shares are issued therefor and then only from the date such Shares are issued. Other than as provided herein, no adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date such Shares are issued.

(b) **Withholding.** The Issuer may withhold from any amount payable to a Participant, either under this RSU/DSU Plan or otherwise, such amount as may be necessary so as to ensure that the Issuer will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or that any other required deductions are paid or otherwise satisfied, at the minimum statutory rate. Subject to the other provisions of the RSU/DSU Plan, the Issuer shall also have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to a Participant hereunder. The Issuer may require a Participant, as a condition to the settlement of an RSU or a DSU, to pay or reimburse the Issuer for any such withholding (at the minimum statutory rate) or other required deduction amounts related to the settlement of RSUs or DSUs.

(c) **Governing Law.** The RSU/DSU Plan, all instruments of grant evidencing Awards granted hereunder and any other agreements or other documents relating to the RSU/DSU Plan shall be interpreted and construed in accordance with the laws of British Columbia (and the federal laws having application therein), except to the extent the terms of the RSU/DSU Plan, any supplement to the RSU/DSU Plan, or the Award in question expressly provides for application of the laws of another jurisdiction. The Granting Authority may provide that any dispute as to any Award shall be presented and determined in such forum as the Granting Authority may specify, including through binding arbitration. Any reference in the RSU/DSU Plan, in any instruments of grant evidencing Awards granted hereunder or in any other agreement or document relating to the RSU/DSU Plan to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.

(d) **Compliance with Securities Laws.** The obligation of the Issuer to make grants under the RSU/DSU Plan and to issue and deliver Shares in accordance with the RSU/DSU Plan is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Issuer. If Shares cannot be issued to a Participant upon the exercise of an Award for any reason whatsoever, the obligation of the Issuer to issue such Shares shall terminate and any funds paid to the Issuer in connection with the exercise of such Award will be returned to the relevant Participant as soon as practicable.

(e) **Compliance with Laws of Other Jurisdictions.** Awards may be granted to Participants who are citizens or residents of a jurisdiction other than Canada or the United States on such terms and conditions different from those under the RSU/DSU Plan as may be determined by the Granting Authority to be necessary or advisable to achieve the purposes of the RSU/DSU Plan while also complying with applicable local laws, customs and tax practices, including any such terms and conditions as may be set forth in any supplement to the RSU/DSU Plan intended to govern the terms of any such Award. In no event shall the eligibility, grant, exercise or settlement of an Award constitute a term of employment, or entitlement with respect to employment, of any employee.

(f) **Section 409A.** The RSU/DSU Plan will be construed and interpreted to be exempt from, or where not so exempt, to comply with Section 409A to the extent required to preserve the intended tax consequences of the RSU/DSU Plan. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Section 409A, it is intended that the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Section 409A. The Issuer reserves the right to amend the RSU/DSU Plan to the extent it reasonably determines is necessary in order to preserve the intended tax consequences of the RSU/DSU Plan in light of Section 409A. In no event will the Issuer or any of its subsidiaries or Affiliates be liable for any tax, interest or penalties that may be imposed on a Participant under Section 409A or any damages for failing to comply with Section 409A.

(g) All terms of the RSU/DSU Plan that are undefined or ambiguous must be interpreted in a manner that complies with Section 409A if necessary to comply with Section 409A.

(h) The Board, in its sole discretion, may permit the acceleration of the time or schedule of payment of a U.S. Taxpayer's vested Awards in the RSU/DSU Plan under circumstances that constitute permissible acceleration events under Section 409A.

(i) Notwithstanding anything in the RSU/DSU Plan or any agreements evidencing the grant to the contrary, to the extent that any amount or benefit that constitutes "deferred compensation" to a Participant under Section 409A and applicable guidance thereunder is otherwise payable or distributable to a Participant under the RSU/DSU Plan or any agreements evidencing the grant solely by reason of the occurrence of a change in control or due to the Participant's disability or "separation from service" (as such term is defined under Section 409A), such amount or benefit will not be payable or distributable to the Participant by reason of such circumstance unless the Granting Authority determines in good faith that (i) the circumstances giving rise to such change in control event, disability or separation from service meet the definition of a change in control event, disability, or separation from service, as the case may be, in Section 409A(a)(2)(A) of the Code and applicable proposed or final regulations, or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A by reason of the short term deferral exemption or otherwise. In order to comply with both Canadian and U.S. tax rules, RSUs will be structured so that the designated settlement/payment date (the "Scheduled Payment Date") for such Award will in all cases be no later than the final business day of the third calendar year following the year in which the Award is granted, and settlement will in fact occur by such final business day. Further, to the extent that any Award is deferred compensation under Section 409A of the Code, then as to any Participant: (i) who is a U.S. Taxpayer, (ii) who is a specified employee (within the meaning of Section 409A) at the time of his separation from service, and (iii) whose deferred compensation Award would by its terms be settled/paid pursuant earlier than the Scheduled Payment Date as a result of his or her separation from service (as defined under Section 409A), then settlement will occur on the earlier of the date that is six months and one day following the date of such separation from service and the Scheduled Payment Date (or other designated settlement/payment time) to the extent required under Section 409A.

(j) **Funding.** Except as would not result in adverse tax consequences to a Participant, no provision of the RSU/DSU Plan shall require or permit the Issuer, for the purpose of satisfying any obligations under the RSU/DSU Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Issuer maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the RSU/DSU Plan other than as unsecured general creditors of the Issuer, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other Eligible Persons under general law.

(k) **No Guarantee of Tax Consequences.** Neither the Board, nor the Issuer nor the Granting Authority makes any commitment or guarantee that any specific tax treatment will apply or be available to any Person participating or eligible to participate hereunder.

14. EFFECTIVE DATE AND TERM OF RSU/DSU PLAN

(a) **Effective Date of the Plan.** The RSU/DSU Plan shall initially become effective on the Shareholder Approval Date, and any subsequent amendments to the RSU/DSU Plan, shall become effective upon their adoption by the Board, subject to approval by the shareholders of the Issuer at the next annual meeting of shareholders of the Issuer or any adjournment thereof, to the extent required. The effective date of this RSU/DSU Plan, as so amended, shall be the date of approval by the shareholders of the Issuer. If the shareholders do not approve the RSU/DSU Plan, or any amendments to the RSU/DSU Plan requiring shareholder approval, the RSU/DSU Plan or such amendments shall not be effective, and any and all actions taken prior thereto under the amendments effected hereby, including the making of

any Awards subject to such approval being obtained, shall be null and void or shall, if necessary, be deemed to have been fully rescinded. However, in such case the Stock Option Plan shall remain in effect.

(b) **Effect on Existing Awards.** Subject to subsection 14(a) hereof all new Awards granted on or after the effective date of the amendments as provided in subsection 14(a) hereof are granted under and subject to the terms of this RSU/DSU Plan as amended and restated and all outstanding Options granted under the Stock Option Plan shall continue to be governed by the terms of the Stock Option Plan and to the terms of their individual option agreements as in effect from time to time including provisions concerning change of control or other related events.

(c) **Termination.** The Board may suspend or terminate the RSU/DSU Plan at any time, provided that such suspension or termination shall not affect any Awards that became effective pursuant to the RSU/DSU Plan prior to such termination or suspension. Any amendment to the RSU/DSU Plan that increases the maximum number of Shares issuable under subsection 4(a) shall be subject to the approval of the shareholders of the Issuer and the acceptance of the Exchange, in accordance with subsection 10(c) hereof.

SCHEDULE A
RESTRICTED SHARE UNIT AGREEMENT

All Awards issued to Insiders must include the following legend:

[Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and the shares issuable upon the vesting thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months after the Grant Date of the Award].

THIS RESTRICTED SHARE UNIT AGREEMENT (the "**Agreement**") is made as of the ____ day of _____, 20___.

B E T W E E N:

NATIONS ROYALTY CORP.

(herein called the "Issuer")

- and -

_____

(herein called the "Grantee")

This Agreement is made pursuant to the terms and conditions of the Issuer's Restricted Share Unit and Deferred Share Unit Compensation Plan (in effect from time to time, the "**RSU/DSU Plan**"), which is incorporated by reference herein. The Grantee accepts the terms and conditions of the RSU/DSU Plan and all rules and procedures adopted thereunder, as amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of the RSU/DSU Plan, the terms of the RSU/DSU Plan shall prevail. Certain terms with initial capital letters used in this Agreement have the meanings set out in the RSU/DSU Plan.

Each RSU (as defined below) granted to the Grantee hereunder represents a right of the Grantee to receive one common share of the Issuer as presently constituted (each a "**Share**") on the terms set out herein.

The Issuer has granted to the Grantee, as of the Grant Date set out in exhibit 1 attached hereto, that number of restricted share units (the "**RSUs**") equal to the number of RSUs set out in exhibit 1 attached hereto, upon the terms and conditions set out in this Agreement, including the following:

Restricted Share Units. Each RSU granted to the Grantee hereunder represents a right of the Grantee to receive one Share on the date the said RSU vests.

Grantee's Notional Account. The Issuer shall maintain in its books a notional account for the Grantee (the "**Grantee's Account**") recording the number of RSUs granted to the Grantee and the number of RSUs that have Vested. Upon payment in satisfaction of vested RSUs through the issue of Shares from treasury, such Vested RSUs shall be cancelled.

Vesting. Subject to the earlier vesting provisions set out herein, the RSUs granted by the Issuer to the Grantee as set out on exhibit 1 attached hereto shall vest in accordance with the vesting provisions set out on exhibit 1 attached hereto (provided that in no event will the Grantee become entitled to acquire a fraction of a Share).

In the event of an Accelerated Vesting Event while the Grantee is employed by or is a director of the Issuer or a subsidiary of the Issuer, the non-vested RSUs will immediately become 100% vested.

If the Grantee terminates employment with the Issuer and its Subsidiaries for any reason other than death, any non-vested RSUs granted hereunder will be immediately cancelled without liability or compensation therefor and be of no further force and effect. For clarity, where the Grantee voluntarily terminates his/her employment with the Issuer or is otherwise terminated by the Issuer for Cause, all non-Vested RSUs of the Grantee shall be immediately cancelled

without compensation or liability therefor and be of no further force and effect.

Settlement of Vested RSUs. Unless otherwise directed by the Issuer's directors in writing, payment to the Grantee in respect of Vested RSUs will be made in the form of Shares only and will be evidenced by book entry registration or by a certificate registered in the name of the Grantee as soon as practicable following the date on which the RSUs become Vested; provided that the settlement date shall not be later than the third anniversary of the Grant Date and all payments in respect of Vested RSUs in the Grantee's Account shall be paid in full on or before December 31 of the same calendar year. Notwithstanding the foregoing, with respect to a Grantee who is a U.S. Taxpayer, Vested RSUs shall be settled no later than March 15 of the calendar year following the calendar year in which the RSUs became Vested RSUs.

No Shareholder Rights. The Grantee will have none of the rights of a shareholder of the Issuer with respect to any Shares underlying the RSUs, including the right to vote such shares and receive any dividends (other than the right to receive Dividend Equivalent Units) that may be paid thereon, until such time, if any, that the Grantee has been determined to be a shareholder of record by the Issuer's transfer agent or one or more certificates of Shares are delivered to the Grantee in settlement thereof. Further, nothing herein will confer upon the Grantee any right to remain in the employ of the Issuer or its Subsidiaries.

Dividend Equivalents. The Grantee shall be credited with Dividend Equivalent Units in the form of additional RSUs as of each dividend payment date in respect of which normal cash dividends are paid by the Issuer on Shares. Such dividend equivalents shall be computed in accordance with Section 6(f) of the RSU/DSU Plan. Dividend Equivalent Units credited to the Grantee's account shall vest in proportion to the RSUs to which they relate and will be subject to the same terms, including time of settlement, as the RSUs to which they relate. Notwithstanding Section 6(c) of the RSU/DSU Plan, if the Issuer does not have a sufficient number of Shares which may be reserved for issue under the RSU/DSU Plan to satisfy its obligations in respect of any Dividend Equivalent Units credited to the Grantee's account, then in order to settle such Dividend Equivalent Units for which there are insufficient Shares reserved, the Issuer shall deliver to the Grantee an amount in cash equal to the Cash Equivalent for such Dividend Equivalent Units as the Board may determine, in its sole discretion.

RSUs Non-Transferable. RSUs are non-transferable (except to a Grantee's estate as contemplated under this Agreement).

No Other Benefit. No amount will be paid to, or in respect of, the Grantee under the RSU/DSU Plan to compensate for a downward fluctuation in the value of the Shares, nor will any other form of benefit be conferred upon, or in respect of, the Grantee for such purpose.

The Issuer makes no representations or warranties to the Grantee with respect to the RSU/DSU Plan or the RSUs whatsoever. The Grantee is expressly advised that the value of the RSUs in the RSU/DSU Plan will fluctuate as the value of Shares fluctuates.

In seeking the benefits of participation in the RSU/DSU Plan, the Grantee agrees to exclusively accept all risks associated with a decline in the value of Shares and all other risks associated with participation in the RSU/DSU Plan.

Withholding Tax. As set out in Section 13(b) of the RSU/DSU Plan, if the Issuer determines that under the requirements of applicable tax laws the Issuer is obligated to withhold for remittance to any taxing authority any amount, the Issuer may require the Grantee to pay to the Issuer, such amount as the Issuer is obliged to remit in connection with the issue of the Shares as set out in Section 13(b) of the RSU/DSU Plan.

Income Taxes: The Grantee acknowledges that he/she may be liable for income tax relating to the grant, vesting, settlement, or disposition of RSUs. The Grantee hereby acknowledges that the Issuer is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

No Inducement. By executing a copy of this Agreement, the Grantee hereby accepts the grant of RSUs and hereby confirms and acknowledges that his or her participation in the RSU/DSU Plan is voluntary and that he or she has not been induced to enter into this Agreement or participate in RSU/DSU Plan by expectation of employment or continued employment with the Issuer.

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

Binding Effect. This Agreement shall enure to the benefit of and be binding upon the Issuer and the Grantee and each of their respective heirs, executors, administrators and successors.

Unfunded and Unsecured RSU/DSU Plan. Unless otherwise determined by the Board, this Agreement and the RSU/DSU Plan shall be unfunded and the Issuer will not secure its obligations under this Agreement or the RSU/DSU Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of RSUs under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Issuer.

United States Securities Law Matters. The Grantee represents and warrants that it understands and acknowledges that neither the RSUs nor any securities issuable pursuant thereto have been registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), or any state securities laws, and that such RSUs and underlying securities may not be issued except in transactions exempt from or not subject to the registration requirements of the 1933 Act and all applicable state securities laws. Therefore, unless the Grantee has executed and delivered to the Issuer contemporaneously herewith Exhibit 2 hereto, the Grantee represents and warrants to, and for benefit of, the Issuer that:

(a) it is outside the United States (as defined in Regulation S under the 1933 Act) on the date hereof;

(b) it executed this Agreement outside the United States; and

(c) it was not offered the RSUs while in the United States.

Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein, without regard to principles of conflict of laws.

Effective Date. The effective date of this Agreement shall be the Grant Date.

Severability. The invalidity or unenforceability of any provision of the RSU/DSU Plan or Agreement shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Agreement.

NATIONS ROYALTY CORP.

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

EXHIBIT 1 TO SCHEDULE A

NATIONS ROYALTY CORP.

RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT COMPENSATION PLAN

NOTICE OF RESTRICTED SHARE UNITS GRANTED

Grantee: _____

Address _____

_____

_____

You have been granted Restricted Share Units of Nations Royalty Corp. (the "**Issuer**"), as follows:

Grant Date: _____

Number of Restricted Share Units: _____

Starting Value of Restricted Share Unit Grant: _____

Vesting Schedule: _____

By your signature and the signature of the Issuer's representative below, you and the Issuer agree that this Restricted Share Unit Grant is granted under and governed by the terms and conditions of the Issuer's Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended from time to time.

NATIONS ROYALTY CORP.

_____

Name:

Title:

Date:

GRANTEE

_____

Signature of Grantee

Name:

Title:

Date:

EXHIBIT 2 TO SCHEDULE A

RULE 701 REPRESENTATION LETTER

NATIONS ROYALTY CORP.

To Whom It May Concern:

In connection with the acquisition of RSUs of Nations Royalty Corp. (the "**Issuer**") and any securities issuable pursuant thereto (collectively with the RSUs, the "**Securities**") pursuant to a Restricted Share Unit Award Agreement, dated _____, 20____, between the Issuer and the undersigned (the "**Agreement**"), the undersigned confirms and agrees as set forth below. Capitalized terms used herein but not defined have the meanings give to such terms in the Agreement.

- The undersigned understands and acknowledges that the Securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "**Securities Act**"), or the securities laws of any state of the United States, and that the offer and sale of the Securities to the undersigned is being made in reliance upon a private placement exemption provided by Rule 701 under the Securities Act and similar exemptions under applicable state securities laws;
- The undersigned is acquiring the Securities for its own account, for investment purposes, and not with a view to any resale, distribution or other disposition of the Securities in violation of United States federal or state securities laws;
- The undersigned has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of acquiring the Securities;
- The undersigned understands and acknowledges that the Securities will be "restricted securities" within the meaning of Rule 144 under the Securities Act ("**Rule 144**"), and agrees that if in the future it decides to offer, sell or otherwise transfer any of the Securities, the Securities may be offered, sold or otherwise transferred (other than pursuant to an effective registration statement under the Securities Act), directly or indirectly, only: (a) to the Issuer; (b) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act ("**Regulation S**") and in compliance with applicable local laws and regulations; or (c) in a transaction that does not require registration under the Securities Act or any applicable state securities laws of the United States, after providing an opinion of counsel of recognized standing, or other evidence, reasonably satisfactory to the Issuer, to the effect that the proposed transfer may be effected without registration under the Securities Act or applicable state securities laws;
- The undersigned understands and acknowledges that all certificates representing Securities and all certificates issued in exchange for or in substitution of such certificates, will bear, upon the original issuance of the applicable Securities and until the legend is no longer required under applicable requirements of the Securities Act or applicable state securities laws, a legend with respect to the transfer restrictions described in the foregoing paragraph;
- The undersigned consents to the Issuer making a notation on its records or giving instructions to the transfer agent for the Securities in order to implement the transfer restrictions described herein;
- The undersigned understands and acknowledges that the Issuer is not obligated to file and has no present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Securities;
- The undersigned acknowledges that it has been afforded the opportunity (i) to ask such questions as it deemed necessary of, and to receive answers from, representatives of the Issuer concerning the terms and conditions of the offering of the Securities, and (ii) to obtain such additional information that the Issuer possesses or can acquire without unreasonable effort or expense that it considered necessary in connection with its decision to acquire the Securities;
- The undersigned understands and acknowledges that there may be United States tax consequences related to the acquisition and disposition of the Securities, and that it is solely responsible for determining such tax consequences, including, without limitation, with respect to the potential

applicability of United States federal income tax rules related to "passive foreign investment companies" and "qualified electing fund" elections;

- The undersigned understands and acknowledges that the Issuer (i) is under no obligation to be or to remain a "foreign issuer" within the meaning of Regulation S under the Securities Act, (ii) may not, at the time the Securities are resold by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions that could cause the Issuer not to be a foreign issuer. If the Issuer is not a foreign issuer at the time of issuance of any Securities, then in connection with any resale thereof pursuant to Rule 904 of Regulation S under the Securities Act, the certificate delivered to the buyer may continue to bear the legend contemplated above; and
- The undersigned understands and acknowledges that if the Issuer were ever deemed to be, or to have at any time previously been, a company with (i) no or nominal operations, and (ii) no or nominal assets other than cash and cash equivalents, Rule 144 under the Securities Act may be unavailable for resales of the Securities, and that the Issuer is under no obligation to take, and has no present intention of taking, any action to make Rule 144 under the Securities Act (or any other exemption from the registration requirements of the Securities Act) available for resales of the Securities.

The undersigned acknowledges that the representations and warranties and agreements contained herein are made by it with the intent that they may be relied upon by the Issuer in determining the undersigned's eligibility to acquire the Securities. The undersigned further agrees that by accepting the Securities it shall be representing and warranting that the foregoing representations and warranties are true as at the delivery time with the same force and effect as if they had been made by it at the delivery time and that they shall survive the acquisition by it of the Securities and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of the Securities.

The Issuer is irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

_____

Name of Grantee: _____

Dated: _____

SCHEDULE B

DEFERRED SHARE UNIT AGREEMENT

All Awards issued to Insiders must include the following legend:

[Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and the shares issuable upon the vesting thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert the date that is four months after the Grant Date of the Award].

THIS DEFERRED SHARE UNIT AGREEMENT (the "Agreement") is made as of the ____ day of _____, 20___.

B E T W E E N:

NATIONS ROYALTY CORP.

(**herein called the "Issuer"**)

- and –

_____

(herein called the "Grantee")

This Agreement is made pursuant to the terms and conditions of the Issuer's Restricted Share Unit and Deferred Share Unit Compensation Plan (in effect from time to time, the "RSU/DSU Plan"), which is incorporated by reference herein. The Grantee accepts the terms and conditions of the RSU/DSU Plan and all rules and procedures adopted thereunder, as amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of the RSU/DSU Plan, the terms of the RSU/DSU Plan shall prevail. Certain terms with initial capital letters used in this Agreement have the meanings set out in the RSU/DSU Plan.

The Issuer has granted to the Grantee, as of the Grant Date set out in exhibit 1 attached hereto, that number of deferred share units (the "DSUs") equal to the number of DSUs set out in exhibit 1 attached hereto upon the terms and conditions set out in this Agreement, including the following:

Definitions:

(a) "**Distribution Date**" means either the Separation Date or such later date as the Grantee may elect (by written notice delivered to the Issuer prior to the Separation Date), provided that in no event shall a Grantee be permitted to elect a date which is later than December 1 of the calendar year following the calendar year in which the Separation Date occurs. In the case of death of a Grantee, the Distribution Date shall have the meaning ascribed to it herein. Notwithstanding anything to the contrary herein, solely with respect to a U.S. Taxpayer, the "Distribution Date" means the "Separation Date";

(b) "**Related Entity**" has the meaning ascribed to the term "related entity" in section 2.22 of National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators, as amended from time to time; and

(c) "**Separation Date**" means the date on which the Grantee ceases service as a director, and is not at that time an employee or officer, of the Issuer or a Related Entity.

Deferred Share Units. Each Vested DSU granted to the Grantee hereunder represents a right of the Grantee to receive one Share on the Distribution Date.

Grantee's Notional Account. The Issuer shall maintain in its books a notional account for the Grantee (the "Grantee's Account") recording the number of DSUs granted to the Grantee and the number of DSUs that have Vested. Upon

payment in satisfaction of Vested DSUs through the issue of Shares on or about the Distribution Date (in accordance with the provisions herein), such Vested DSUs shall be cancelled as of the applicable Distribution Date.

Vesting. Subject to the earlier vesting provisions set out herein, the DSUs granted by the Issuer to the Grantee as set out on exhibit 1 attached hereto shall vest in accordance with the vesting provisions set out on exhibit 1 attached hereto, provided that where a Grantee is terminated for Cause, resigns or, in the case of a director of the Issuer, is otherwise removed as a result of losing his/her eligibility to serve on the Board due to an order by a regulatory body or stock exchange or for culpable conduct as determined by the Granting Authority, all unvested DSUs in the Grantee's account shall be immediately cancelled without liability or compensation therefor and be of no further force and effect (unless otherwise determined by the Granting Authority).

Notwithstanding the vesting provisions above, in the event of an Accelerated Vesting Event while the Grantee is employed by or is a director of the Issuer or a Related Entity, the non-vested DSUs will immediately become 100% vested.

In no event will the Grantee become entitled to acquire a fraction of a Share.

Distribution of Vested DSUs. The Issuer shall within 10 business days after the Distribution Date issue to the Grantee a number of Shares equal to the number of Vested DSUs in the Grantee's Account. In the case of a Grantee's death, the Distribution Date shall be on or before the 30th business day after the Issuer is duly notified of the death of the Grantee and such distribution shall be made to the estate of the Grantee.

Reporting of DSUs. Statements of the Grantee's Account will be provided to Grantees on an annual basis.

No Shareholder Rights. The Grantee will have none of the rights of a shareholder of the Issuer with respect to any Shares underlying the DSUs, including the right to vote such shares and receive any dividends (other than the right to receive Dividend Equivalent Units) that may be paid thereon, until such time, if any, that the Grantee has been determined to be a shareholder of record by the Issuer's transfer agent or one or more certificates of Shares are delivered to the Grantee in settlement thereof. Further, nothing herein will confer upon the Grantee any right to remain in the employ of the Issuer or its Subsidiaries.

Dividend Equivalents. The Grantee shall be credited with Dividend Equivalent Units in the form of additional DSUs as of each dividend payment date in respect of which normal cash dividends are paid by the Issuer on Shares. Such dividend equivalents shall be computed in accordance with Section 6(f) of the RSU/DSU Plan. Dividend Equivalent Units credited to the Grantee's account shall vest in proportion to the DSUs to which they relate and will be subject to the same terms, including time of settlement, as the DSUs to which they relate. Notwithstanding Section 6(c) of the RSU/DSU Plan, if the Issuer does not have a sufficient number of Shares which may be reserved for issue under the RSU/DSU Plan to satisfy its obligations in respect of any Dividend Equivalent Units credited to the Grantee's account, then in order to settle such Dividend Equivalent Units for which there are insufficient Shares reserved, the Issuer shall deliver to the Grantee an amount in cash equal to the Cash Equivalent for such Dividend Equivalent Units as the Board may determine, in its sole discretion.

DSUs Non-Transferable. DSUs are non-transferable (except to a Grantee's estate as provided for in this Agreement).

No Other Benefit. No amount will be paid to, or in respect of, the Grantee under the RSU/DSU Plan to compensate for a downward fluctuation in the value of the Shares, nor will any other form of benefit be conferred upon, or in respect of, the Grantee for such purpose.

The Issuer makes no representations or warranties to the Grantee with respect to the RSU/DSU Plan or the DSUs whatsoever. The Grantee is expressly advised that the value of the DSUs in the RSU/DSU Plan will fluctuate as the value of Shares fluctuates.

In seeking the benefits of participation in the RSU/DSU Plan, the Grantee agrees to exclusively accept all risks associated with a decline in the value of Shares and all other risks associated with participation in the RSU/DSU Plan.

Withholding Tax. As set out in Section 13 of the RSU/DSU Plan, if the Issuer determines that under the requirements of applicable tax laws, the Issuer is obligated to withhold for remittance to any taxing authority any amount, the Issuer may require the Grantee to pay to the Issuer, such amount as the Issuer is obliged to remit in connection with the issue of the

Shares as set out in Section 13 of the RSU/DSU Plan.

Income Taxes: The Grantee acknowledges that he/she may be liable for income tax relating to the grant, vesting, settlement, or disposition of DSUs. The Grantee hereby acknowledges that the Issuer is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

No Inducement. By executing a copy of this Agreement, the Grantee hereby accepts the grant of DSUs and hereby confirms and acknowledges that his or her participation in the RSU/DSU Plan is voluntary and that he or she has not been induced to enter into this Agreement or participate in RSU/DSU Plan by expectation of employment or continued employment with the Issuer.

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

Binding Effect. This Agreement shall enure to the benefit of and be binding upon the Issuer and the Grantee and each of their respective heirs, executors, administrators and successors.

Unfunded and Unsecured RSU/DSU Plan. Unless otherwise determined by the Board, this Agreement and the RSU/DSU Plan shall be unfunded and the Issuer will not secure its obligations under this Agreement or the RSU/DSU Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of DSUs under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Issuer.

United States Securities Law Matters. The Grantee represents and warrants that it understands and acknowledges that neither the DSUs nor any securities issuable pursuant thereto have been registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**"), or any state securities laws, and that such DSUs and underlying securities may not be issued except in transactions exempt from or not subject to the registration requirements of the 1933 Act and all applicable state securities laws. Therefore, unless the Grantee has executed and delivered to the Issuer contemporaneously herewith Exhibit 2 hereto, the Grantee represents and warrants to, and for benefit of, the Issuer that:

(a) it is outside the United States (as defined in Regulation S under the 1933 Act) on the date hereof;

(b) it executed this Agreement outside the United States; and

(c) it was not offered the DSUs while in the United States.

Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein, without regard to principles of conflict of laws.

Effective Date. The effective date of this Agreement shall be the Grant Date.

Severability. The invalidity or unenforceability of any provision of the RSU/DSU Plan or this Agreement shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Agreement.

NATIONS ROYALTY CORP.

_____

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

EXHIBIT 1 TO SCHEDULE B

NATIONS ROYALTY CORP.

RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT
COMPENSATION PLAN

NOTICE OF DEFERRED SHARE UNITS GRANTED

Grantee: _____

Address _____

_____

_____

You have been granted Deferred Share Units of Nations Royalty Corp. (the "**Issuer**"), as follows:

Grant Date: _____

Number of Deferred Share Units: _____

Starting Value of Deferred Share Unit Grant: _____

Vesting Schedule: _____

By your signature and the signature of the Issuer's representative below, you and the Issuer agree that this Deferred Share Unit Grant is granted under and governed by the terms and conditions of the Issuer's Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended from time to time.

NATIONS ROYALTY CORP.

_____

Name:

Title:

Date:

GRANTEE

_____

Signature of Grantee

Name:

Title:

Date:

EXHIBIT 2 TO SCHEDULE B

RULE 701 REPRESENTATION LETTER

NATIONS ROYALTY CORP.

To Whom It May Concern:

In connection with the acquisition of DSUs of Nations Royalty Corp. (the "**Issuer**") and any securities issuable pursuant thereto (collectively with the DSUs, the "**Securities**") pursuant to a Deferred Share Unit Agreement, dated _____, 20____, between the Issuer and the undersigned (the "**Agreement**"), the undersigned confirms and agrees as set forth below. Capitalized terms used herein but not defined have the meanings given to such terms in the Agreement.

- The undersigned understands and acknowledges that the Securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "**Securities Act**"), or the securities laws of any state of the United States, and that the offer and sale of the Securities to the undersigned is being made in reliance upon a private placement exemption provided by Rule 701 under the Securities Act and similar exemptions under applicable state securities laws;
- The undersigned is acquiring the Securities for its own account, for investment purposes, and not with a view to any resale, distribution or other disposition of the Securities in violation of United States federal or state securities laws;
- The undersigned has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of acquiring the Securities;
- The undersigned understands and acknowledges that the Securities will be "restricted securities" within the meaning of Rule 144 under the Securities Act ("**Rule 144**"), and agrees that if in the future it decides to offer, sell or otherwise transfer any of the Securities, the Securities may be offered, sold or otherwise transferred (other than pursuant to an effective registration statement under the Securities Act), directly or indirectly, only: (a) to the Issuer; (b) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act ("**Regulation S**") and in compliance with applicable local laws and regulations; or (c) in a transaction that does not require registration under the Securities Act or any applicable state securities laws of the United States, after providing an opinion of counsel of recognized standing, or other evidence, reasonably satisfactory to the Issuer, to the effect that the proposed transfer may be effected without registration under the Securities Act or applicable state securities laws;
- The undersigned understands and acknowledges that all certificates representing Securities and all certificates issued in exchange for or in substitution of such certificates, will bear, upon the original issuance of the applicable Securities and until the legend is no longer required under applicable requirements of the Securities Act or applicable state securities laws, a legend with respect to the transfer restrictions described in the foregoing paragraph;
- The undersigned consents to the Issuer making a notation on its records or giving instructions to the transfer agent for the Securities in order to implement the transfer restrictions described herein;
- The undersigned understands and acknowledges that the Issuer is not obligated to file and has no present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Securities;
- The undersigned acknowledges that it has been afforded the opportunity (i) to ask such questions as it deemed necessary of, and to receive answers from, representatives of the Issuer concerning the terms and conditions of the offering of the Securities, and (ii) to obtain such additional information that the Issuer possesses or can acquire without unreasonable effort or expense that it considered necessary in connection with its decision to acquire the Securities;
- The undersigned understands and acknowledges that there may be United States tax consequences related to the acquisition and disposition of the Securities, and that it is solely responsible for

determining such tax consequences, including, without limitation, with respect to the potential applicability of United States federal income tax rules related to "passive foreign investment companies" and "qualified electing fund" elections;

- The undersigned understands and acknowledges that the Issuer (i) is under no obligation to be or to remain a "foreign issuer" within the meaning of Regulation S under the Securities Act, (ii) may not, at the time the Securities are resold by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions that could cause the Issuer not to be a foreign issuer. If the Issuer is not a foreign issuer at the time of issuance of any Securities, then in connection with any resale thereof pursuant to Rule 904 of Regulation S under the Securities Act, the certificate delivered to the buyer may continue to bear the legend contemplated above; and
- The undersigned understands and acknowledges that if the Issuer were ever deemed to be, or to have at any time previously been, a company with (i) no or nominal operations, and (ii) no or nominal assets other than cash and cash equivalents, Rule 144 under the Securities Act may be unavailable for resales of the Securities, and that the Issuer is under no obligation to take, and has no present intention of taking, any action to make Rule 144 under the Securities Act (or any other exemption from the registration requirements of the Securities Act) available for resales of the Securities.

The undersigned acknowledges that the representations and warranties and agreements contained herein are made by it with the intent that they may be relied upon by the Issuer in determining the undersigned's eligibility to acquire the Securities. The undersigned further agrees that by accepting the Securities it shall be representing and warranting that the foregoing representations and warranties are true as at the delivery time with the same force and effect as if they had been made by it at the delivery time and that they shall survive the acquisition by it of the Securities and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of the Securities.

The Issuer is irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

_____

Name of Grantee: _____

Dated: _____