



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

**Annual General Meeting of Shareholders
to be held on
October 16, 2024
1100 – 1111 Melville Street
Vancouver, BC V6E 3V6**

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MANAGEMENT PROXY CIRCULAR

GLOSSARY OF TERMS

Unless the context otherwise requires, the following terms shall have the following respective meanings when used in this Circular. Any capitalized but undefined terms shall have the meanings ascribed to them in the respective documents to which they refer.

“Award”	means any right granted under the Stock Option Plan.
“Board”	means the board of directors of the Company.
“Business day”	means a day that is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia.
“CEO”	means Chief Executive Officer.
“CFO”	means Chief Financial Officer.
“Circular”	means, collectively, the Notice of Meeting and this information circular sent to Shareholders in connection with the Meeting.
“Committee”	means a standing committee of the Board.
“Common Share” or “Share”	means a common share in the capital of the Company.
“Company” or “Quetzal”	means Quetzal Copper Corp. (formerly Ankh Capital Inc.), a company organized under the laws of British Columbia.
“CSE”	means the Canadian Securities Exchange.
“Independent Directors”	means a member of the Board who is not an officer or employee of the Company or any of its affiliates as described in NI 52-110.
“Insider”	has the meaning set out in the TSX Venture Exchange Company Manual.
“Material Relationship”	means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgement.
“Meeting”	means the Annual General Meeting of Shareholders to be held on October 16, 2024, and any adjournment(s) thereof.
“NI 52-110”	means National Instrument 52-110 Audit Committees.
“Notice of Meeting”	means the notice of meeting forming part of this Circular to be mailed to Shareholders in connection with the Meeting.
“NASDAQ”	Means the National Association of Securities Dealers Automatic Quotation System.
“NYSE”	means the New York Stock Exchange.
“Option”	means a stock option granted under the Stock Option Plan.
“RTO”	means the Reverse Takeover, effective March 12, 2024, pursuant to which the Company changed its year end from May 31 to December 31.
“Stock Option Plan”	means the stock option plan as described under “Equity Incentive Plans”.
“OTCQB”	means OTC Markets.
“Shareholder”	means a holder of Shares.
“TSX”	means the Toronto Stock Exchange.
“TSXV”	means the TSX Venture Exchange.

ATTENDING AND PARTICIPATING AT THE MEETING

This management proxy circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of the Company for use at the Annual General Meeting of shareholders (the “**Shareholders**”) of the Company (the “**Meeting**”) to be held in person on Wednesday, October 16, 2024 at 10:00 a.m. (PDT) and at any adjournment(s) or postponement(s) thereof for the purposes set forth in the Notice of Meeting.

The Meeting will be held at 1100 – 1111 Melville Street, Vancouver, British Columbia.

NOTICE REGARDING INFORMATION

Information in this Information Circular is given as at August 30, 2024 unless otherwise indicated and except for information contained in the documents incorporated herein by reference, which is given as at the respective dates stated therein.

No person is authorized to give any information or make any representation not contained in this Information Circular and, if given or made, such information or representation should not be relied upon as having been authorized. This Information Circular does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of an offer or proxy solicitation. Neither delivery of this Information Circular nor any distribution of the securities referred to in this Information Circular will, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Information Circular.

GENERAL INFORMATION CONCERNING THE MEETING AND VOTING

Solicitation of proxies

This Information Circular is provided in connection with the solicitation by the management of the Company of proxies to be used at the Meeting. The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation.

Appointment of Proxyholder

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

The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting or any adjournments thereof.

At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of

Meeting. If any other matters do properly come before the Meeting, it is intended that the person appointed as proxy will vote on such other business in such manner as that person then considers to be proper.

Registered Shareholders

Registered holders of Common Shares electing to submit a proxy may do so by fax or internet provided on the proxy or by completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Odyssey Trust Company, by mail or hand delivery to Attn: Proxy Department, Suite 702, 67 Yonge St., Toronto, ON M5E 1J8, in all cases ensuring that the form of proxy is received before 10:00 a.m. (PDT) on October 11, 2024 or if the Meeting is adjourned or postponed, at least 48 business hours (where "business hours" means hours on days other than a Saturday, Sunday or any other holiday in British Columbia or Ontario) before the time on the date to which the Meeting is adjourned or postponed.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name.

Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

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

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

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

Non-Objecting Beneficial Owners

Quetzal is taking advantage of the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from the Company's transfer agent, Odyssey Trust Company. The VIF is to be completed and returned to Odyssey Trust Company as set out in the instructions provided on the VIF. Odyssey Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of Quetzal. If you are a non-registered owner, and Quetzal or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf. By choosing to send these materials to you directly, Quetzal (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your

proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

Objecting Beneficial Owners

Beneficial Shareholders, who are OBOs, should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

Quetzal does not intend to pay for intermediaries to deliver to OBOs the meeting materials and Form 54-101F7 Request for Voting Instructions Made by Intermediary. An OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered holders of Common Shares. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by Quetzal. The VIF will name the same persons as the Company's proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person maybe you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.

Notice to Quetzal's Securityholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the U.S. Exchange Act are not applicable to Quetzal or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Quetzal Securityholders 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 Quetzal Securityholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that Quetzal is existing under the *Business Corporations Act* (British Columbia), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Securityholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxy

In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke it by executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered holder of Common Shares or the authorized attorney thereof in writing, or, if the registered holder of Common Shares is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Odyssey Trust Company, Attn: Proxy Department, Suite 702, 67 Yonge St., Toronto, ON M5E, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last

business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or a revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

NOTICE-AND-ACCESS

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* allow for the use of the notice and access system for the delivery to shareholders of certain materials, including notice of meeting, management information circular, annual financial statements and management’s discussion and analysis (collectively, the “**Meeting Materials**”) by reporting issuers.

Under the notice and access system, reporting issuers are permitted to deliver the Meeting Materials by posting them on SEDAR+ at www.sedarplus.ca as well as a website other than SEDAR+ and sending a notice package to shareholders that includes: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the Meeting Materials; and (iv) a plain language explanation of how the notice and access system operates and how the Meeting Materials can be accessed online.

As described in the Notice and Access Notification to be mailed to the Shareholders of the Company on or about September 16, 2024, the Company has elected to deliver its Meeting Materials to Beneficial Holders using the notice and access system. These Beneficial Shareholders will receive a notice and access notification which will contain the prescribed information. Registered Shareholders and those Beneficial Holders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting Materials with the notice package.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company is an unlimited amount of Common Shares. As at the date of this Information Circular, the outstanding shares of the Company are 42,870,450 Common Shares.

Shareholders registered as at August 30, 2024, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and senior officers of the Company, no persons beneficially own, or controls or directs, directly or indirectly, more than 10% of the outstanding shares.

FIXING THE NUMBER OF DIRECTORS

Shareholders of Quetzal will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors at three (3).

ELECTION OF DIRECTORS

A shareholder can vote for all of the above nominees, vote for some of the below nominees and withhold for other of the below nominees or withhold for all of the below nominees. **Unless otherwise instructed, the named proxyholders will vote “FOR” the election of each of the proposed nominees set forth below as directors of Quetzal.**

The directors of Quetzal are elected annually and hold office until the next Annual General Meeting of the shareholders or until their successors are elected or appointed. Management of Quetzal proposes to nominate the persons listed below for election as directors of Quetzal to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation

by management of Quetzal will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following tables set forth profiles of the three (3) individuals who are nominated by management for election as directors, including the positions and offices with Quetzal now held by each nominee, the business experience over the last five (5) years of each nominee, the period during which each nominee has served as a director, and the number of securities of the Quetzal (including Common Shares and options to purchase Common Shares through stock options (“Options”) and share purchase warrants (“Warrants”), beneficially owned, or controlled or directed, directly or indirectly, by each nominee as at the date of this Circular. The information as to securities beneficially owned, or controlled or directed, directly or indirectly, by each nominee has been furnished by the respective proposed nominees individually.

The Board has determined that two (2) of the three (3) individuals nominated for election as a director at the Meeting are independent. The non-independent member of the Board is Matthew Badiali who is CEO of the Company.

A majority of the members of the Audit Committee are independent directors. For more information on the Company’s independence standards and assessments, see the section of this Circular entitled “Corporate Governance Disclosure”. For information on compensation paid to non-management directors, see the section of this Circular entitled “Statement of Executive Compensation – Compensation”.

Matthew Badiali		
Position: CEO & Director Director Since: March 1, 2023 Independence: Non-Independent Residence: Florida, United States Age: 55	Mr. Badiali is a geologist, financial analyst, and consultant with 18 years’ experience as a natural resource investment analyst. He has a Bachelor of Science degree in Earth Science from the Pennsylvania State University and a Master of Science in Geology from Florida Atlantic University. He taught geology classes at Florida Atlantic University, The University of North Carolina at Chapel Hill, and at Duke University.	
Board Committee Membership:		
Audit Committee		
Securities beneficially owned, or controlled or directed, directly or indirectly		
Security	Number	% of Ownership
Common Shares	674,936	1.57%
Options	42,837	<1%
Total	717,773	1.67%

Barry Coughlan		
Position: Director Director Since: January 11, 2021 Independence: Independent Residence: British Columbia, Canada Age: 79	Mr. Coughlan is a financier based in Vancouver, who over the past 40 years has been involved in the financing of private and public companies with focus on the identification, negotiations and securing of viable business opportunities worldwide with special emphasis on the resource sector. Mr. Coughlan is a past Member of the New York Stock Exchange, Member of the Chicago Board of Trade, Chicago IL, with clearance from the Canadian Securities Institute, Toronto, ON and the Toronto Stock Exchange as well as the Security Exchange Commission, Washington, DC. He has been involved in the financing of over 25 private and public companies and their subsequent listings on North American Stock Exchanges: NYSE, NASDAQ, TSX as well as the London Stock Exchange, LSE. Mr. Coughlan’s involvement in the resource	
Board Committee Membership:		
Audit Committee		

	industry started with the identification and subsequent sale in 1980 of Interlake Development Corp and it's Hemlo gold project to Noranda and Teck Corporation. He spent 15 yrs on the Board Great Basin Gold Ltd. and its discovery of one of Africa's largest gold deposits (21m oz); as a Board member he was part of the discovery, financing of Farallon Mining Ltd., one of Mexico's richest zinc deposits, Campo Morado, and its subsequent sale for over \$400M; a Board Member of Continental Minerals Corp. and its development and sale of Tibet's major mining project, Xietomgmen, for in excess of \$400M; past Board Member for 15 yrs of one of Canada's largest mature copper/molybdenum mines, Taseko Mines Ltd. Mr. Coughlan is presently on the Boards of four TSX-V listed companies.
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Securities beneficially owned, or controlled or directed, directly or indirectly		
Security	Number	% of Ownership
Common Shares	200,000	<1%
Warrants	200,000	<1%
Options	260,333	<1%
Total	660,333	1.54%

John Fraser	
Position: Director Director Since: March 12, 2024 Independence: Independent Residence: British Columbia, Canada Age: 51	Mr. Fraser has over 20 years' experience in the Canadian capital markets. John worked as an investment advisor at several Canadian brokerage firms with a focus on the mining sector. Since transitioning to the public company side of the business, Mr. Fraser has held board positions and advised several mining and technology companies.
Board Committee Membership:	
Audit Committee	

Securities beneficially owned, or controlled or directed, directly or indirectly		
Security	Number	% of Ownership
Common Shares	500,000	1.17%
Options	Nil	Nil
Total	50,000	1.17%

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of Management, no director or proposed director of Quetzal is, or within the ten years prior to the date of this Information Circular has been, a director or executive officer of any company, including Quetzal, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied Quetzal access to any exemption under securities legislation for a period of more than 30 consecutive days; or

- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of Quetzal being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of Management, no director or proposed director of Quetzal has, within the ten years prior to the date of this Information Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive but have been used by Quetzal in adopting its corporate governance practices. The Company’s approach to corporate governance is set out below.

Governance Highlights

Governance Element	Quetzal Current Practices
Board size	3 directors
Board independence	2 directors are independent
Independent Committees	Audit Committee (<i>majority independent</i>)
Independent board and committee meetings	Unless otherwise determined by the Board, independent directors hold in-camera sessions at the conclusion of all regularly scheduled Board and committee meetings
Voting standard for board elections	Annually by a majority of votes cast
Majority voting policy	Yes
Annual board assessments	Not currently

The Board is responsible for corporate governance and establishes the overall policies and standards of the Company. The Board meets on a regularly scheduled basis. In addition to these meetings, the directors are kept informed of the Company’s operations through discussions with management.

Composition and Independence of the Board

Management is nominating three (3) individuals to the Board, all of whom are current directors of Quetzal.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with Quetzal. The “material relationship” is defined as a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgement.

The Board is proposing three (3) individuals to the Board, all of whom are current directors of Quetzal. The independent nominees are Mr. Coughlan and Mr. Fraser. The non-independent nominee is Mr. Badiali, who is the Company’s Chief Executive Officer.

Other Directorships

The following directors of Quetzal are also directors of other reporting issuers:

Name of Director	Names of Other Reporting Issuers	Exchange
Barry Coughlan	Amarc Resources Ltd. Rathdowney Resource Ltd. Northcliff Resources Ltd. Quadro Resources Ltd.	TSXV TSXV TSX TSXV
John Fraser	Azincourt Energy Corp. Heartfield Mining Corp.	TSXV CSE

Other Board Committees

The Board has established one committee, being the Audit Committee.

Audit Committee

As a venture issuers, the Company must disclose the following regarding the Audit Committee:

Composition

The composition of the Audit Committee consists of the Michael Badiali, Barry Coughlin and John Fraser. Mr. Badiali is not considered independent due to his position as CEO of the Company.

National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with Quetzal, which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgement.

NI 52-110 provides that an individual is “financially literate” if he or she has 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. The following sets out the members of the Audit Committee and their education and experience that is relevant to the performance of his responsibilities as an Audit Committee member.

Charter

The text of the Audit Committee’s charter is attached as Appendix “A” to this Information Circular.

Relevant Education and Experience

All proposed members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance 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, and have an understanding of internal controls.

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

Matthew Badiali – Mr. Badiali is a director and CEO of the Company. Mr. Badiali is a geologist, financial analyst, and consultant with 18 years' experience as a natural resource investment analyst. Based on his business experience, Mr. Badiali is financially literate.

Barry Coughlan – Mr. Coughlan is a director of the Company. Mr Coughlan is a financier based in Vancouver, who over the past 40 years has been involved in the financing of private and public companies. Based on his business experience, Mr. Coughlan is financially literate.

John Fraser – Mr. Fraser is a director of the Company. Mr. Fraser has over 20 years' experience in the Canadian capital markets. John worked as an investment advisor at several Canadian brokerage firms with a focus on the mining sector. Based on his business experience, Mr. Fraser is financially literate.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the audit and risk committee of Quetzal has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, Quetzal has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The audit and risk committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following sets forth the fees paid by Quetzal and its subsidiaries to WDM Chartered Professional Accountants, for services rendered in the last two fiscal years:

	2023	2022
Audit Fees ⁽¹⁾	\$14,000	\$12,000
Audit Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$1,200	\$1,000

	2023	2022
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$15,200	\$13,000

NOTES:

1. "Audit fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements; fees for review of tax provisions; accounting consultations on matters reflected in the financial statements; and, audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. "Audited related fees" include services that are traditionally performed by the auditor such as 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" includes 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.

Exemption in Section 6.1

Quetzal is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations).

APPOINTMENT OF AUDITOR

Management of the Quetzal intends to nominate WDM Chartered Professional Accountants ("WDM"), of Vancouver, British Columbia, for appointment as auditor of Quetzal. Proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the appointment of WDM, as the auditor of Quetzal to hold office for the ensuing year with remuneration to be fixed by the directors.

BE IT RESOLVED, as an ordinary resolution of the shareholders of Quetzal, that WDM Chartered Professional Accountants, be appointed as the auditors of Quetzal, and the board of Directors of Quetzal are hereby authorized to fix the remuneration of WDM Chartered Professional Accountants.

An ordinary resolution is a resolution passed at the Meeting by a simple majority of the votes cast by shareholders voting Common Shares at the Meeting.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE APPOINTMENT OF AUDITOR RESOLUTION. Unless otherwise indicated, the persons designated as proxyholders in the accompanying Proxy intend to vote the Common Shares represented by such Proxy, properly executed, FOR the Appointment of Auditor Resolution.

CONFIRMING STOCK OPTION PLAN

Quetzal is seeking shareholder confirmation of its "rolling" stock option plan (the "Stock Option Plan") which was originally adopted by it the board of directors (the "Board") on March 12, 2024. The Stock Option Plan has not yet been approved by Shareholders. A copy of the Stock Option Plan is attached as Appendix "B".

There are currently 3,129,567 stock options outstanding under the Stock Option Plan representing 7.3% of the current outstanding Common Shares. The TSX Venture Exchange requires that the Stock Option Plan be confirmed by shareholders at each Annual General Meeting of the Company. Accordingly, Quetzal is seeking ratification and approval of the Stock Option Plan by the shareholders.

The purpose of the Stock Option Plan is to provide Quetzal with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long-term goals of Quetzal, and to encourage such individuals to acquire Shares of Quetzal as long term investments.

The maximum number of Common Shares issuable under the Stock Option Plan, together with the number of Common Shares issuable under outstanding options granted otherwise than under the Stock Option Plan, shall not exceed 10% of the Common Shares outstanding from time to time. As of the date of this Information Circular, Quetzal was eligible to grant up to 4,287,045 options under its Stock Option Plan.

Terms of the Stock Option Plan

The following is a summary of the key terms of the Stock Option Plan:

- Options may be granted under the Stock Option Plan to such service providers of Quetzal, if any, as the Board may from time to time designate.
- The exercise price shall be that price per share, as determined by the Board in its sole discretion as of the award date, at which an option holder may purchase a share upon the exercise of an option, and shall not be less than the last closing price of the Quetzal's shares traded through the facilities of the Exchange prior to the grant of the option, less any discount permitted by the Exchange, or such other price as may be required by the Exchange.
- No one individual may receive options on more than 5% of the outstanding shares of Quetzal in any 12 month period, no one consultant may receive options on more than 2% of the outstanding shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the outstanding shares in any 12 month period (which options must vest in stages over 12 months with no more than 25% vesting in any three month period).
- If the option holder ceases to be a director of Quetzal or ceases to be employed by Quetzal (other than by reason of death), or ceases to be a consultant of Quetzal as the case may be, then the option granted will expire on no later than the 30th day following the date that the option holder ceases to be a director, ceases to be employed by Quetzal or ceases to be a consultant of Quetzal, subject to the terms and conditions set out in the Stock Option Plan.

Shareholders will be asked at the Meeting to consider and, if thought fit, pass an ordinary resolution in substantially the following form:

“RESOLVED, as an ordinary resolution, that the Company’s Stock Option Plan, as described in the Company’s Information Circular dated August 30, 2024, and the grant of options thereunder in accordance therewith, be approved and confirmed.”

The Board considers that the ability to grant incentive stock options is an important component of its compensation strategy and is necessary to enable the Company to attract and retain qualified directors, officers, employees and consultants. **The Board therefore recommends that shareholders vote “For” the resolution re-approving the Stock Option Plan.** Unless otherwise instructed, the persons named in the enclosed form of Proxy will vote “IN FAVOUR” of the above resolution.

A copy of the Stock Option Plan is available for review at the offices of the Company, located at Suite 1723, 595 Burrard Street, Vancouver, BC, during normal business hours up to and including the date of the Meeting.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this section, “named executive officer” or “NEO” means each of the following individuals:

- the Chief Executive Officer (“CEO”);
- the Chief Financial Officer (“CFO”); and
- each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year.

The Company’s NEO’s for fiscal 2023 are:

Matthew Badiali	-	Chief Executive Officer
Dilshan Anthony	-	Chief Financial Officer

Compensation for NEOs and Directors

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and Director of the Company, current or former, and for any individual that earned more than \$150,000 in total compensation for the completed financial year ended December 31, 2023.

Name and Position	Year	Salary, Consulting fee (\$)	Bonus (\$)	Committee or meeting fees (\$)	All other Compensation (\$)	Total Compensation (\$)
Matthew Badiali <i>CEO⁽¹⁾ and Director</i>	2023	164,880	-	-	-	164,880
	2022	-	-	-	-	-
Dilshan Anthony ⁽²⁾ <i>CFO</i>	2023	45,000	-	-	-	45,000
	2022	-	-	-	-	-
Barry Coughlan ⁽³⁾ <i>Director</i>	2023	-	-	-	-	-
	2022	-	-	-	-	-
John Fraser ⁽⁴⁾ <i>Director</i>	2023	-	-	-	-	-
	2022	-	-	-	-	-

NOTES:

1. Matthew Badiali has been CEO and a director since March 1, 2023.
2. Dilshan Anthony has been CFO since June 1, 2022.
3. Barry Coughlan has been a director since January 11, 2021.
4. John Fraser has been a director since March 12, 2024.

Stock options and other compensation securities

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Company to each NEO and Director of the Company, current and former, and for any individual that earned more than \$150,000 in total compensation for the financial year ended December 31, 2023, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Name and Position	Type of Security	Number of Securities ⁽¹⁾	Grant Date	Exercise Price ⁽¹⁾ (\$)	Closing price on date of grant (\$)	Closing price at year end (\$)	Expiry Date
Matthew Badiali <i>CEO⁽²⁾ and Director</i>	Option	42,837	Apr 30, 2022	\$0.05	N/A ⁽⁴⁾	N/A ⁽⁵⁾	Apr 30, 2027
Barry Coughlan ⁽³⁾ <i>Director</i>	Option	260,334	Oct 15, 2021	\$0.20	N/A ⁽⁶⁾	N/A ⁽⁵⁾	Oct 15, 2026

NOTES:

1. Effective March 18, 2024, the Company consolidated its shares on a one-new-for-two-old basis. The post-consolidation amounts are reflected.
2. On August 30, 2024, Matthew Badiali held 42,837 stock options all of which were fully vested.
3. On August 30, 2024, Barry Coughlan held 260,334 stock options all of which were fully vested.
4. The Stock Options were issued to the Mr. Badiali by Quetzal Copper Limited, which was a private company at the time of issuance.
5. The Shares were not trading as at the year end.
6. The Stock Options were granted prior to listing.

Exercise of Compensation Securities by Directors and NEO's

No compensation securities were exercised by any Director or NEO during the most recently completed financial year.

Stock Option Plans and Other Incentive Plans

Effective March 12, 2024, the Board adopted the Stock Option Plan, which Stock Option Plan was drafted in accordance with the latest policies and rules of the TSX Venture Exchange ("**TSXV**"). The Stock Option Plan has yet to be approved by shareholders of the Company.

The purpose of the Stock Option Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified employees, directors, officers, consultants and employees of a person or company which provides management services to the Company or its associated, affiliated, controlled and subsidiary companies (the "**Participants**") and to grant such Participants stock options to acquire up to 10% of the Company's issued and outstanding common shares of the Company ("**Common Shares**") from time to time. This is a "rolling" plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. The Stock Option Plan provides that the directors of the Company may grant options to purchase Common Shares on terms that the directors may determine, within the limitations of the Stock Option Plan. The exercise price of an option issued under the Stock Option Plan is determined by the directors but may not be less than the closing market price of the Common Shares on the day preceding the date of granting of the option less any available discount, in accordance with TSXV Policies. No option may be granted for a term longer than ten years. An option may expire on such earlier date or dates as may be fixed by the Board, subject to

earlier termination in the event the optionee ceases to be eligible under the Stock Option Plan by reason of death, retirement or otherwise.

The Stock Option Plan provides for the following restrictions: (i) no Participant may be granted an option if that option would result in the total number of stock options granted to the Participant in the previous 12 months, exceeding 5% of the issued and outstanding Common Shares unless the Company has obtained disinterested shareholder approval in accordance with TSXV Policies; (ii) the aggregate number of options granted to Participants conducting Investor Relations Activities (as defined in TSXV Policies) in any 12 month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant; and (iii) the aggregate number of options granted to any one consultant in any 12 month period must not exceed 2% of the issued and outstanding Common Shares, calculated at the time of grant.

In addition, options granted to consultants conducting Investor Relations Activities (as defined in TSXV Policies) will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting or such longer vesting.

The Company has no other incentive plans.

Employment, consulting and management agreements

The Company has no employment, consulting or management agreements.

Oversight and description of director and named executive officer compensation

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

Option-Based Awards

The Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSXV and closely align the interests of the executive officers with the interests of shareholders.

The directors and officers of the Company from time to time may be granted incentive stock options in accordance with the policies of the TSXV and pursuant to the Stock Option Plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of the end of the Company's most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuances, aggregated as follows:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants, and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans, excluding securities reflected in column (a) (c)
Equity compensation plans approved by security holders	Nil	N/A	N/A
Equity compensation plans not approved by security holders	3,129,567	\$0.09	1,157,478
TOTAL	3,129,567	\$0.09	1,157,478

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular and at all times since, no executive officer, director, employee or former executive officer, director or employee of Quetzal or any of its subsidiaries is or has been indebted to Quetzal, or any of its subsidiaries, nor are or have any of these individuals been indebted to another entity, which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Quetzal, or its subsidiaries.

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

No director or executive officer of Quetzal or any proposed nominee of management of Quetzal for election as a director of Quetzal, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of Quetzal, proposed nominee for election as a director of Quetzal, persons beneficially owning, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of Quetzal nor 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 last completed financial year or in any proposed transaction which has or will materially affect Quetzal, as disclosed in the Company's audited financial statements and Management's Discussion & Analysis for the last financial year.

MANAGEMENT CONTRACTS

Except as set out herein, there are no management functions of Quetzal which are to any substantial degree performed by a person or company other than the directors or NEOs of Quetzal.

ADDITIONAL INFORMATION

Additional information relating to Quetzal including audited comparative financial statements and Management's Discussion and Analysis for the year ended December 31, 2023 is available on SEDAR+ and upon request from Quetzal at Suite 1723, 595 Burrard Street, Vancouver, British Columbia, telephone no.: (888) 227-6821 or email: copper@quetzalcopper.com. Copies of documents referred to above will be provided, upon request, free of charge to security holders of Quetzal. Quetzal may require the payment of a reasonable charge from any person or company who is not a security holder of Quetzal, who requests a copy of any such document.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

APPROVAL OF BOARD

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

DATED at Vancouver, British Columbia, on August 30, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Matthew Badiali"

Matthew Badiali
CEO and Director

APPENDIX "A"

Audit Committee Charter

CHARTER OF THE AUDIT COMMITTEE

1. PURPOSE AND PRIMARY RESPONSIBILITY

1.1 This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of Ankh Capital Inc. (the "**Company**"), annual evaluation and compliance with this charter.

1.2 The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

2. MEMBERSHIP

2.1 At least one of the members of the Audit Committee must be an independent director of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), provided that should the Company become listed on a more senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.

2.2 The Audit Committee will consist of at least three members, all of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.

2.3 The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be an independent director.

2.4 The Chair of the Audit Committee will be appointed by the Board.

2.5 A majority of the members of the Audit Committee must not be officers, employees or control persons of the Company or any of its associates or affiliates.

3. AUTHORITY

3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

- (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or

professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

(c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

4. DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board the external auditor to be nominated by the Board;

(b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;

(c) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to Company;

(f) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;

(g) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;

(h) reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("MD&A"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;

- (i) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
- (j) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
- (k) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
- (l) reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
- (m) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;
- (n) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;
- (o) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
- (p) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;
- (q) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;
- (r) resolving disputes between management and the external auditor regarding financial reporting;
- (s) as necessary or required, establishing procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and

- (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (t) as necessary or required, reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (u) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
- (v) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;
- (w) as necessary or required, establishing procedures for:
 - (i) reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;
 - (ii) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;
 - (iii) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
 - (iv) reviewing fraud prevention policies and programs, and monitoring their implementation;
 - (v) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
 - (A) tax and financial reporting laws and regulations;
 - (B) legal withholding requirements;
 - (C) environmental protection laws and regulations; and
 - (D) other laws and regulations which expose directors to liability.

4.2 A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

4.3 On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best

practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

5. MEETINGS

5.1 The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.

5.2 The Chair of the Audit Committee shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.

5.3 The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.

5.4 The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.5 The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.

5.6 Each of the Chair of the Audit Committee, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

6. REPORTS

6.1 The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

6.2 The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

7. MINUTES

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

APPENDIX "B"

Stock Option Plan

QUETZAL COPPER CORP.

STOCK OPTION PLAN

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QUETZAL COPPER CORP.**STOCK OPTION PLAN****(the “Plan”)****ARTICLE 1
DEFINITIONS AND INTERPRETATION****1.1 Definitions**

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms will have the meanings set forth below:

- (a) **“Administrator”** means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) **“Associate”** means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person’s spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) **“Blackout Period”** means a period during which the Company prohibits Option Holders from exercising Options.
- (d) **“Board”** means the board of directors of the Company.
- (e) **“Change of Control”** means an occurrence when either:
 - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the Securities Act), becomes a “control person” of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company’s then-incumbent Board.
- (f) **“Committee”** means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.

- (g) “**Company**” means Quetzal Copper Corp.
- (h) “**Consultant**” means, in relation to the Company, an individual (other than a Director, Officer or Employee of the Company or of any of its subsidiaries) or company that:
- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to any of its subsidiaries, other than services provided in relation to a “distribution” (as that term is described in the Securities Act);
 - (b) provides the services under a written contract between the Company or any of its subsidiaries and the individual or the company, as the case may be; and
 - (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or of any of its subsidiaries
- (i) “**Director**” means a duly elected or appointed member of the Board.
- (j) “**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (k) “**Employee**” means:
- (i) an individual who is considered an employee of the Company or any 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 Company or any Subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any 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 Company or any 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 Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, as the case may be, but for whom income tax deductions are not made at source

and includes:

- (iv) a corporation wholly-owned by such individual; and
 - (v) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) **“Exchange Hold Period”** has the meaning assigned in TSXV Policies.
- (m) **“Executive”** means an individual who is a director or officer of the Company or a Subsidiary, and includes:
- (i) a corporation wholly-owned by such individual; and
 - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (n) **“Exercise Notice”** means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.
- (o) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (p) **“Exercise Price”** means the price at which an Option is exercisable as determined in accordance with section 5.3.
- (q) **“Expiry Date”** means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4, 11.1 or 11.5.
- (r) **“Expiry Time”** means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (s) **“Grant Date”** means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (t) **“Insider”** means an insider as that term is defined in the Securities Act.
- (u) **“Issued Shares”** means the number of Shares that are then issued and outstanding on a non-diluted basis.
- (v) **“Market Price”** has the meaning assigned in TSXV Policies.
- (w) **“Market Value”** means the market value of the Shares as determined in accordance with section 5.3.

- (x) “**Officer**” means an officer duly appointed by the Board.
- (y) “**Option**” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (z) “**Option Certificate**” means the certificate, in substantially the form set out as Schedule “A” hereto, evidencing the Option.
- (aa) “**Option Holder**” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (bb) “**Outstanding Issue**” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (cc) “**Person or Entity**” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (dd) “**Personal Representative**” means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (ee) “**Plan**” means this stock option plan as from time to time amended.
- (ff) “**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (gg) “**Regulatory Authorities**” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (hh) “**Regulatory Rules**” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.

- (ii) “**Security Based Compensation**” has the meaning ascribed thereto in Policy 4.4.
- (jj) “**Security Based Compensation Plan**” has the meaning ascribed thereto in Policy 4.4.
- (kk) “**Securities Act**” means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ll) “**Share**” or “**Shares**” means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (mm) “**Subsidiary**” means a wholly-owned or controlled subsidiary corporation of the Company.
- (nn) “**Triggering Event**” means:
 - (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a proposed Change of Control of the Company;
 - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
 - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (oo) “**TSXV**” means the TSX Venture Exchange.
- (pp) “**TSXV Policies**” means the rules and policies of the TSXV as amended from time to time.
- (qq) “**Vest**” or “**Vesting**” means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

- (rr) “**VWAP**” means the volume weighted average trading price of the Shares calculated by dividing the total value by the total volume of such securities traded for the five trading days immediately preceding the exercise of the subject Option. Where appropriate, internal crosses and certain other special terms trades may be excluded from the calculation.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the exclusive jurisdiction of the Courts of British Columbia in respect of any legal proceedings relating to the Plan or Options granted hereunder.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2 PURPOSE AND PARTICIPATION

2.1 Purpose of Plan

The Company previously established a stock option (the “**Prior Plan**”). In order to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incentivize such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments, the Company hereby establishes the Plan. The Plan permits the grant of Options only. The Board approved the Plan on March 12, 2024, subject to the approval of the Plan by the TSXV and the shareholders of the Company. The Plan replaces the Prior Plan and all Options previously granted under the Prior Plan will be subject to the terms of the Plan.

2.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

2.3 Limits on Option Grants

The following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue (unless the Company has obtained disinterested shareholder approval as required by the TSXV);

- (b) the maximum number of Options which may be granted to Insiders (as a group) within any 12 month period must not exceed 10% of the Outstanding Issue (including any Options which are granted and exercised within that 12 month period unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (c) the maximum aggregate number of Options which may be granted to Insiders (as a group) must not exceed 10% of the Issued Shares at any point in time (unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (d) with respect to section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;
- (e) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (f) the maximum number of Options which may be granted within any 12 month period to all Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue in the aggregate, and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period.

2.4 Notification of Grant

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

2.5 Copy of Plan

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.6 Limitation on Service

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

2.7 No Obligation to Exercise

Option Holders shall be under no obligation to exercise Options granted under this Plan.

2.8 Agreement

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

2.9 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

2.10 Representation to TSXV

As a condition precedent to the issuance of an Option, the Company and the Option Holder must be able to represent to the TSXV as of the Grant Date that the Option Holder is a bona fide Executive, Employee or Consultant of the Company or any Subsidiary. The Option Certificate to which the Option Holder is a party must contain such a representation by the Option Holder.

ARTICLE 3 NUMBER OF SHARES UNDER PLAN

3.1 Board to Approve Issuance of Shares

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

3.2 Number of Shares

This Plan is a “rolling” plan. Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the number of issued and outstanding Shares as at the date of grant or issuance of any Options under the Plan. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

3.3 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

ARTICLE 4 GRANT OF OPTIONS

4.1 Grant of Options

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

4.2 Record of Option Grants

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

4.3 Effect of Plan

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

ARTICLE 5
TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Period of Option

Subject to sections 5.4, 6.2, 6.3, 6.4, 11.1 and 11.5, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

5.2 Number of Shares Under Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

5.3 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4 and 11.5 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
 - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
 - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;
 - in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; or

Notwithstanding the foregoing, the Committee may, in its sole discretion if it determines such is in the best interests of the Company, extend the expiry date to a later date within a reasonable period not exceeding one year in accordance with TSXV Policies.

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:
 - (i) termination for cause;
 - (ii) resigning his or her position;
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

Notwithstanding the foregoing, the Committee may, in its sole discretion if it determines such is in the best interests of the Company, extend the expiry date to a later date within a reasonable period not exceeding one year in accordance with the TSXV Policies.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.5 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, other than Options held by Option Holders engaged in investor relations activities, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2. For clarity, the Committee may not elect to accelerate the vesting schedule of one or more Options held by Option Holders engaged in investor relations activities without the prior written approval of the Exchange.

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

ARTICLE 6 TRANSFERABILITY OF OPTIONS

6.1 Non-transferable

Except as provided otherwise in this ARTICLE 6, Options are non-assignable and non-transferable.

6.2 Death of Option Holder

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

6.3 Disability of Option Holder

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Option Holder

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

6.5 Vesting

Notwithstanding any vesting schedule to which Options are subject, Options shall cease to vest immediately if the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated for any reason whatsoever. In which case, the Option Holder may only exercise such number of Options that are vested as at the date of termination of such Option Holder's employment, engagement or appointment as a director or officer.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

ARTICLE 7
EXERCISE OF OPTION

7.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option.

Without limiting the foregoing, the Committee may, in its sole discretion, permit the exercise of an Option through either:

- (a) a cashless exercise (a “**Cashless Exercise**”) mechanism, whereby:
 - (i) a sufficient number of the Shares issued upon exercise of the Options will be sold by a designated broker on behalf of and for the benefit of the Option Holder to satisfy the Exercise Price of the Options; and
 - (ii) the Exercise Price of the Options will be delivered to the Company and the Option Holder will receive only the remaining unsold Shares from the exercise of the Options and the net proceeds of the sale after deducting (A) the Exercise Price of the Options, (B) applicable taxes and (C) any applicable fees and commissions, all as determined by the Committee from time to time; or

- (b) a net exercise (a “**Net Exercise**”) mechanism, whereby Options, excluding Options held by any an Option Holder engaged in investor relations activities, are exercised without the Option Holder making any cash payment so the Company does not receive any cash from the exercise of the subject Options (other than in respect of applicable taxes), and instead the Option Holder receives only the number of underlying Shares that is the equal to the quotient obtained by dividing:
 - (i) the product of the number of underlying Shares subject to the Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by
 - (ii) the VWAP of the underlying Shares.

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the applicable limits in the Plan.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased.

An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- Insiders of the Company; or
- where Options are granted to any service provider, where the Exercise Price is at a discount to the Market Price.

If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

ARTICLE 8 ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 8.2, or by an Administrator appointed in accordance with paragraph 8.4(b).

8.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this ARTICLE 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any

matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
 - (iv) determine when Options shall be granted; and
 - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and

- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

8.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

ARTICLE 9 APPROVALS AND AMENDMENT

9.1 Shareholder Approval of Plan

In accordance with TSXV Policies, this Plan is subject to shareholder approval. Any Option granted by the Company under this Plan prior to the Company having obtained all required approvals will be exercisable only subsequent to the Company having obtained such approvals.

The Plan, or any amended version thereof, will be submitted to the shareholders for approval at each annual general meeting of the Company's shareholders.

9.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals (including but not limited to approval of the Exchange) and any shareholder approval, if applicable, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment.

If at the time the Exercise Price of an Option is reduced or the Expiry Date of an Option is extended the Option Holder is an Insider of the Company, disinterested shareholder approval will be obtained by the Company.

ARTICLE 10
CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

10.1 Compliance with Laws

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2.

10.3 Inability to Obtain Regulatory Approvals

The Company shall not be liable with respect to the failure to complete any transaction related to this Plan, including the exercise of Options or the lawful issuance and sale of any Shares pursuant to such Options, if the Company was unable to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete such transaction.

10.4 Withholding Tax Requirements

Upon exercise of an Option, the Option Holder shall, upon notification of the amount due and prior to the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable federal and provincial withholding tax requirements and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Option Holder receiving Shares to reimburse the Company for any such taxes and Canada Pension Plan contributions required to be withheld by the Company and withhold any distribution to the Option Holder in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Option Holder an amount equal to such taxes and, if

applicable, Canada Pension Plan contributions as determined by the Company. The Company may also retain and withhold or the Option Holder may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Shares having a market value of not less than the amount of such taxes and, if applicable, Canada Pension Plan contributions, as determined by the Company, required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Shares so withheld.

ARTICLE 11 ADJUSTMENTS AND TERMINATION

11.1 Blackout Periods

Notwithstanding the Expiry Date of any Option, such Expiry Date shall be extended to the tenth business day following the last day of a Blackout Period if the Expiry Date would otherwise occur in a Blackout Period. The following requirements are applicable to any such automatic extension provision:

- (a) the Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information;
- (b) the Blackout Period must expire following the general disclosure of the undisclosed material information;
- (c) the automatic extension of the Expiry Date of an Option Holder's Options is not permitted where the Option Holder or the Company is subject to a cease trade order (or similar order under Regulator Rules) in respect of the Company's securities; and
- (d) the automatic extension is available to all eligible Option Holders under the Plan under the same terms and conditions.

11.2 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan.

11.3 No Grant During Suspension of Plan

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

11.4 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this

Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.4, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section 11.4 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2.

Any adjustment made to any Options pursuant to this section 11.4 (except in relation to a consolidation or subdivision) will be subject to the prior acceptance of the TSXV.

11.5 Triggering Events

Subject to the Company complying with section 11.6 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2.

11.6 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the

Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

11.7 Determinations to be Made By Committee

Adjustments and determinations under this ARTICLE 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

11.8 Options Granted to U.S. Residents or Citizens

The Options and the Shares issuable upon exercise of the Options have not been registered under the *United States Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any applicable securities law of any state of the United States and may not be granted to, or exercised by or on behalf of, any person in the United States, any U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States unless exempt from the registration requirements of the U.S. Securities Act and any applicable securities law of any state of the United States. The Options granted, and the Shares issued upon exercise of Options, in the United States, to or by or on behalf of a U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States will bear a legend restricting the transfer and exercise of such Options and Shares unless such offer, sale, pledge or transfer is pursuant to an exemption from the U.S. Securities Act and in accordance with any applicable securities laws of any state of the United States. “United States” and “U.S. person” are as defined in Regulation S under the U.S. Securities Act.

Any Option granted under the Plan to an Option Holder who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) (a “**U.S. Option Holder**”) may be an incentive stock option (an “**ISO**”) within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, of the United States (the “Code”), but only if so designated by the Company in the agreement evidencing such Option, and only to the extent such option qualifies as an ISO under this section 11.8. No more than 5,000,000 Shares may be granted under Options intended to be ISOs, subject to adjustment as provided in section 11.4. No provision of this Plan, as it may be applied to a U.S. Option Holder with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Grants of Options to U.S. Option Holders pursuant to this Plan which are not designated as or otherwise do not qualify as ISOs will be treated as non-statutory stock options for U.S. federal tax purposes. The Exercise Price for Shares under each Option granted to a U.S. Option Holder pursuant to this Plan shall be not less than 100% of the Market Value of such Shares at the time granted, (unless such Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Sections 409A and 424(a) of the Code). Options will be granted and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Option Agreement under

the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. Notwithstanding any provision of the Plan to the contrary, in the event that the Administrator determines that any this Plan or any Option hereunder may be subject to Section 409A of the Code and related Treasury Regulations and other interpretive guidance issued thereunder, the Administrator may adopt such amendments to the Plan and the applicable agreement or adopt other policies and procedures (including amendments, policies, and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Option from section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Option, or (b) comply with the requirements of Section 409A of the Code and related Treasury Regulations and other interpretive guidance thereunder and thereby avoid the application of any penalty taxes under such section.

Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Option Holder:

- (a) ISOs shall only be granted to individual U.S. Option Holders who are, at the time of grant, employees of the Company (within the meaning of the Code). Any director of the Company who is a U.S. Option Holder shall be ineligible to vote upon the granting of such Option;
- (b) the aggregate Market Value (determined as of the time an ISO is granted) of the Shares subject to ISOs exercisable for the first time by a U.S. Option Holder during any calendar year under this Plan and all other Company stock option plans, within the meaning of Section 422 of the Code, shall not exceed US\$100,000. To the extent that this US\$100,000 limit is exceeded, such Options will be treated as non-statutory stock options. For purposes of this paragraph, (i) ISOs will be taken into account in the order in which they were granted and (ii) the calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.
- (c) if any U.S. Option Holder to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of shares possessing more than 10% of the total combined voting power of all classes of shares of the Company, then the following special provisions shall be applicable to the ISO granted to such individual:
 - (i) the Exercise Price (per Share) subject to such ISO shall not be less than 110% of the Market Value of one Share at the time of grant; and
 - (ii) for the purposes of this paragraph only, the exercise period shall not exceed 5 years from the date of grant;
- (d) no ISO may be granted hereunder to a U.S. Option Holder following the expiration of 10 years after the date on which this Plan is adopted by the Company or the date on which the Plan is approved by the shareholders of the Company, whichever is earlier;

- (e) no Option granted U.S. Option Holder under the Plan shall be treated as an ISO unless the Plan shall have been approved by the shareholders of the Company within 12 months following the date of its adoption by the Board;
- (f) Options shall lose their qualification as ISOs if any leave of absence exceeds 3 months, unless reemployment upon expiration is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then 6 months following the first day of such leave, any ISO held by a U.S. Option Holder will cease to be treated as an ISO and will be treated for tax purposes as a non-statutory stock option;
- (g) no ISO shall be transferable by a U.S. Option Holder other than by will or the laws of descent and distribution; and
- (h) during the lifetime of the original grantee of an ISO, such ISO may not be exercised by anyone other than such grantee.

SCHEDULE "A"

[Include the following Exchange hold period for stock options granted to: (i) directors, officers and promoters; (ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]

[Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until _____ [date four months and one day after Grant Date].]

[For Options issued in the United States or to, or for the account or benefit of U.S. Persons: THIS OPTION AND THE SHARES ISSUABLE UPON EXERCISE OF THIS OPTION HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY ACCEPTING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 OF THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C) AND (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.]

THE OPTIONS REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THE OPTIONS REPRESENTED HEREBY MAY NOT BE EXERCISED IN THE UNITED STATES OR BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON OR A PERSON IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES LAWS AND APPLICABLE STATE SECURITIES LAWS. AS USED HEREIN, THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS ASCRIBED TO THEM IN REGULATION S UNDER THE U.S. SECURITIES ACT.]

QUETZAL COPPER CORP. STOCK OPTION PLAN

OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of Quetzal Copper Corp. (the "**Company**") and evidences that _____ [Name of Option Holder] is the holder (the "**Option Holder**") of an option (the "**Option**") to purchase up to _____ common shares (the "**Shares**") in the capital of the Company at a purchase price of Cdn.\$ _____ per Share (the "**Exercise Price**"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia (the "**Expiry Time**") on

_____, subject to the provisions of the Plan (the “**Expiry Date**”). The Grant Date of this Option is _____.

[Include the following for Options issued in the United States or to, or for the account or benefit of U.S. Persons:]

[Type of Option: [Incentive Stock Option] [Non-statutory Stock Option]]

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

[Include the following Exchange hold period for stock options granted to: (i) directors, officers and promoters; (ii) over 10% shareholders; and (iii) any Option Holder if the exercise price of the stock options granted is based on less than Market Price.]

[Any share certificates issued pursuant to an exercise of the Option before _____ [date four months and one day after Grant Date] will contain the following legend: “Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until _____ [date four months and one day after Grant Date].”]

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

“THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY ACCEPTING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 OF THE U.S. SECURITIES ACT, IF

AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C) AND (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA".

This Option was granted to the Option Holder in his or her capacity as a bona fide Director, Officer, Employee or Consultant of the Company (**circle appropriate relationship with the Company**), and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee or Consultant of the Company

QUETZAL COPPER CORP.

Authorized Signatory

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is a bona fide Director, Officer, Employee or Consultant of the Company (**circle appropriate relationship with the Company**) and is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the applicable Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

By signing this Option Certificate, the undersigned also provides its express written consent to:

- (i) the disclosure of Personal Information (as defined below) by the Company to the TSX Venture Exchange (the “**Exchange**”) with respect to any and all forms required to be filed by the Company with the Exchange with respect to the grant of this Option; and
- (j) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6A of the Corporate Finance Manual of the Exchange, or as otherwise identified by the Exchange, from time to time.

“Personal Information” means any information about an identifiable individual, and includes the information contained in the Form 4G – Summary Form – Incentive Stock Options to be filed by the Company with the Exchange.

Signature of Option Holder:

Signature

Date signed: _____

Print Name

Address

OPTION CERTIFICATE – SCHEDULE

[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
 - (a) _____ Shares (_____%) will vest and be exercisable on or after the Grant Date;
 - (b) _____ additional Shares (_____%) will vest and be exercisable on or after _____ [date];
 - (c) _____ additional Shares (_____%) will vest and be exercisable on or after _____ [date]; and
 - (d) _____ additional Shares (_____%) will vest and be exercisable on or after _____ [date];

2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be _____ [Insert date desired that is longer or shorter than the standard 30 days as set out in the Plan] following the date the Option Holder ceases to hold such position.

SCHEDULE "B"

**QUETZAL COPPER CORP.
STOCK OPTION PLAN**

NOTICE OF EXERCISE OF OPTION

TO: Quetzal Copper Corp. (the "Company")

The undersigned hereby irrevocably exercises stock options (the "Options") of the Company previously granted to the undersigned on _____, and as such subscribes for _____ common shares (the "Shares") of the Company at a price of \$ _____ Share for a total purchase price of \$ _____ (the "Exercise Price").

In connection with this exercise, the undersigned must mark one of Box A, Box B or Box C:

Box A

The undersigned hereby certifies that (i) it did not acquire the Option in the United States (as that term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act")) or at a time when the undersigned was a "U.S. Person" (as that term is defined in the U.S. Securities Act) or acting for the account or benefit of a U.S. Person or a person in the United States, (ii) it is not in the United States or a U.S. Person, (iii) the Option is not being exercised for the account or benefit of a U.S. Person or a person in the United States, and (iv) this Notice of Exercise of Option was not executed or delivered in the United States.

Box B

The undersigned represents, warrants and certifies that it (a) acquired the Options directly from the Company pursuant to the Company's Stock Option Plan; (b) is exercising the Options solely for its own account; and (c) is an "accredited investor" (within the meaning of Rule 501(a) of Regulation D under the United States Securities Act of 1933, as amended), on the date of exercise of the Options pursuant to this Notice of Exercise of Option.

Box C

An (i) exemption from registration under the U.S. Securities Act and all applicable state securities law is available for the issuance of common shares underlying this Option and attached hereto is an opinion of counsel or other evidence to such effect, it being understood that any opinion of counsel or other evidence tendered in connection with the exercise of this Option must be in form and substance satisfactory to the Company

The undersigned encloses herewith a cheque, bank draft or money order or has transmitted good same day funds by wire or other lawful money of Canada payable to or to the order of the Company in payment of the Exercise Price.

The undersigned hereby directs that the Shares subscribed for be registered and delivered as follows:

(Name – please print)

(Account Number (if applicable))

(Address – including postal code)

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 5:00 p.m. local time in Vancouver, B.C. on the Expiry Date of the Option.

Dated: _____

Name: _____

Signature: _____

Address: _____
