

**WESTMINSTER RESOURCES LTD.**

**STOCK OPTION PLAN (2019)**

**PART 1**

**INTERPRETATION**

1.1 Definitions In this Plan the following words and phrases shall have the following meanings, namely:

- (a) “Award Date” means the date on which the Board grants a particular Option;
- (b) “Board” means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by to Section 3.1 hereof;
- (c) “Cause” means: (i) “Cause” as such term is defined in the written employment agreement, if any, between the Company and Employee; or (ii) if there is no written employment agreement between the Company and the Employee or “Cause” in not defined in the written employment agreement between the Company and the Employee, the usual meaning of just cause under the common law or the laws of British Columbia;
- (d) “Company” means Westminster Resources Ltd.;
- (e) “Consultant” means an individual who: (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Issuer, other than services provided in relation to a Distribution; (ii) provides the services under a written contract between the Issuer or the Affiliate and the individual or the Consultant Company, as the case may be; (c) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and (d) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer;
- (f) “Director” means any director, Officer and Management Company Employees of the Company or of any of its subsidiaries;
- (g) “Discounted Market Price” has the meaning ascribed thereto in Exchange Policy;
- (h) “Employee” means: (i) an individual who is considered an employee of the Company or its subsidiary under the Income Tax Act (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source); (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or (iii) an individual who works for a Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and

direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;

- (i) "Exchange" means the TSX Venture Exchange and any other stock exchange on which the Shares are listed for trading;
- (j) "Exchange Policy" means the policies, bylaws, rules and regulations of the Exchange governing definitions, interpretation and the granting of options by the Company, as amended from time to time;
- (k) "Exercise Notice" means the notice respecting the exercise of an Option, in the form attached to the Option Certificate, duly executed by the Option Holder.
- (l) "Exercise Price" means the price at which an Option may be exercised as determined in accordance with Section 4.1
- (m) "Expiry Date" means not later than ten years from the Award Date of the Option or such shorter period as may be prescribed by the Exchange;
- (n) "Insider" has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (o) "Investor Relations Activities" has the meaning ascribed thereto in Exchange Policy;
- (p) "Joint Actor" means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 1.9 of National 62-104 – *Take Over Bids and Issuer Bids*;
- (q) "Management Company Employee" means an individual employed by a person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in Investor Relations Activities;
- (r) "Officer" means any senior officer of the Company or of any of its subsidiaries as defined in the *Securities Act*;
- (s) "Option" means an option to acquire Shares awarded under and pursuant to the Plan;
- (t) "Option Certificate" means the certificate, substantially in the form set out as Schedule "A" hereto, evidencing an Option;
- (u) "Option Holder" means a current or former Director, Employee or Consultant who holds an unexercised and unexpired Option;
- (v) "Plan" means this stock option plan as from time to time amended;
- (w) "Securities Act" means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, from time to time;
- (x) "Securities Laws" means the act, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time;

(y) “Shares” means common shares of the Company.

- 1.2 Interpretation Any words capitalized but not defined in this Plan shall have the meanings ascribed to them in Exchange Policy.
- 1.3 Gender Throughout this Plan, words importing the masculine gender shall be interpreted as including the female gender.

## **PART 2**

### **PURPOSE OF PLAN**

- 2.1 Purpose The purpose of this Plan is to attract and retain Employees, Consultants or Directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through Options granted under this Plan to purchase Shares.

## **PART 3**

### **GRANTING OF OPTIONS**

- 3.1 Administration This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.
- 3.2 Committee's Recommendations The Board may accept all or any part of recommendations of the committee or may refer all or any part thereof back to the committee for further consideration and recommendation.
- 3.3 Grant by Resolution The Board may, by resolution, designate eligible persons who are bona fide Employees, Consultants, Directors or corporations employing or wholly owned by such Employee, Consultant, or Director, to whom Options should be granted and specify the terms of such Options which shall be in accordance with Exchange Policy and Securities Laws. It is the responsibility of the Company and the Option Holder for ensuring and confirming that the Option Holder is a bona fide Employee, Consultant or Management Company Employee, as the case may be. The Company will also issue a news release at the time of the grant for any Options granted to Insiders.
- 3.4 Terms of Option The resolution of the Board shall specify the number of Shares that should be placed under option to each such Employee, Consultant or Director, the Exercise Price to be paid for such Shares, and the period, including any applicable vesting periods required by Exchange Policy, or by the Board or committee, during which such Option may be exercised. Options granted to persons engaged in Investor Relations Activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the Options vesting in any three month period, or as otherwise prescribed by Exchange policy. Such vesting provisions applicable to Options granted to persons engaged in Investor Relations Activities may not be accelerated without prior Exchange approval.
- 3.5 Option Certificate Every Option granted under this Plan shall be evidenced by an Option Certificate, and all Option Certificates will be so legended as required by Exchange Policy and Securities Laws.

## PART 4

### **CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS**

- 4.1 **Exercise Price** The Exercise Price of an Option granted under this Plan shall not be less than the Discounted Market Price at the time of granting the Options. In any event, no Options shall be granted which are exercisable at an Exercise Price of less than permitted by Exchange Policy. An Exercise Price cannot be established unless the Options are allocated to a particular Option Holder.
- 4.2 **Expiry Date** Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not be later than the Expiry Date. However, if the Expiry Date falls within a period (a "blackout period") during which the Company prohibits Option Holders from exercising their Options, the Expiry Date may be extended to a maximum of 10 business days after the expiry of the blackout period. 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. For greater certainty, in the absence of the Company formally imposing a blackout period, the Expiry Date of any options will not be automatically extended in any circumstances.
- 4.3 **Different Exercise Periods, Prices and Number** The Board may, in its absolute discretion, upon granting an Option under this Plan and subject to the provisions of Section 6.3 hereof, specify a particular time period or periods following the date of granting the Option during which the Option Holder may exercise his Option to purchase Shares and may designate the Exercise Price and the number of Shares in respect of which such Option Holder may exercise his Option during each such time period.
- 4.4 **Number of Shares** The number of Shares reserved for issuance under the Plan shall:
- (a) not exceed 5% of the issued Shares of the Company to any one person (and companies wholly owned by that person) in any 12 month period, calculated on the date the Option is granted;
  - (b) not exceed 2% of the issued Shares of the Company to any one Consultant in any 12 month period, calculated on the date the Option is granted to the Consultant; and
  - (c) not exceed an aggregate 2% of issued Shares of the Company to all persons employed to provide Investor Relations Activities, in any 12 month period, calculated on the date the Option is granted to any such person.
- 4.5 **Ceasing to hold Office** If an Option Holder holds his or her Options as a Director and such Option Holder ceases to be Director for any reason other than death, such Director shall have rights to exercise any Option not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the Option Holder's Option Certificate, such "reasonable period" not to exceed one year after termination. However, if the Option Holder ceases to be a Director of the Company as a result of: (i) ceasing to meet the qualifications set forth in the Business Corporations Act (British Columbia); or (ii) his or her removal as a director of the Company pursuant to the *Business Corporations Act* (British Columbia); 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 be a Director of the Company. Notwithstanding anything

contained herein, in no case will an Option be exercisable later than the Expiry Date of such Option fixed by the Board at the time the Option is awarded to the Option Holder.

- 4.6 Ceasing to be an Employee, Management Company Employee or Consultant If an Option Holder holds his or her Options as an Employee, Management Company Employee or Consultant and such Option Holder ceases to be an Employee, Management Company Employee or Consultant for any reason other than death, such Employee, Management Company Employee or Consultant shall have rights to exercise any Option not exercised prior to such termination within a reasonable period of time after the date of termination, as set out in the Option Holder's Option Certificate, such "reasonable period" not to exceed one year after termination. However, (i) if the Option Holder ceases to be an Employee as a result of termination for Cause; (ii) a Management Company Employee of a person providing management services to the Company as a result of termination for Cause; or (iii) an Employee, Management Company Employee or Consultant of the Company as a result of 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 is terminated by the Company. Notwithstanding anything contained herein, in no case will an Option be exercisable later than the Expiry Date of such Option fixed by the Board at the time the Option is awarded to the Option Holder.
- 4.7 Death of Option Holder If a Director, Consultant or Employee dies prior to the expiry of his option, his legal representatives may, within the lesser of one year from the date of the Option Holder's death or the Expiry Date of the Option, exercise that portion of an Option granted to the Director, Consultant or Employee under this Plan which remains outstanding.
- 4.8 Assignment No Option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the Exchange, an Option Holder shall have the right to assign any Option granted to him hereunder to a trust, RRSP, RESP or similar legal entity established by such Option Holder.
- 4.9 Notice Options shall be exercised only in accordance with the terms and conditions of the Option Certificates under which they are respectively granted and shall be exercisable only by notice in writing to the Company.
- 4.10 Payment Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Option Holder on exercise of an Option shall be paid for in full, in cash or by certified cheque, at the time of their purchase.
- 4.11 Options to Employees, Consultants or Management Company Employees In the case of Options granted to Employees, Consultants or Management Company Employees, the Option Holder must be a bona-fide Employee, Consultant or Management Company Employee, as the case may be, of the Company or its subsidiary.
- 4.12 Withholding Tax Upon exercise of an Option, the Option Holder will, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable withholding tax requirements or will otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation will have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such payment. At its discretion, the Company may

require an Option Holder receiving Shares to reimburse the Company for any such taxes 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 will have the right to withhold from any cash amount due or to become due from the Company to the Option Holder an amount equal to such taxes. 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 not less than the amount of such taxes 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.

## **PART 5**

### **RESERVE OF SHARES FOR OPTIONS**

- 5.1 Sufficient Authorized Shares to be Reserved Whenever the Notice of Articles or Articles of the Company limit the number of authorized Shares, a sufficient number of Shares shall be reserved by the Board to satisfy the exercise of Options granted under this Plan. Shares that were the subject of Options that have lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an Option granted under this Plan.
- 5.2 Maximum Number of Shares to be Reserved Under Plan The aggregate number of Shares which may be subject to issuance pursuant to Options granted under this Plan, inclusive of all other stock options outstanding shall not be greater than 10% of the Shares issued and outstanding at the date of the grant of Options. Cancelled and expired Options are returned to the Plan.
- 5.3 Maximum Number of Shares Reserved Unless authorized by shareholders of the Company (or disinterested shareholders, as the case may be) in accordance with Exchange Policy, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in:
- (a) the number of Shares reserved for issuance pursuant to Options exceeding 10% of the Shares issued and outstanding; and
  - (b) the issuance to Insiders, within a one year period, of a number of Shares exceeding 10% of the Shares issued and outstanding.

## **PART 6**

### **CHANGES IN OPTIONS**

- 6.1 Share Consolidation or Subdivision If the Shares are at any time subdivided or consolidated, the number of Shares reserved for Option and the price payable for any Shares that are then subject to Option shall be adjusted accordingly.
- 6.2 Stock Dividend If the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for Option and the price payable for any Shares that are then subject to Option may be adjusted by the Board to such extent as they deem proper in their absolute discretion.

6.3 Effect of a Take-Over Bid If a bona fide offer (an "Offer") for Shares is made to the Option Holder or to shareholders of the Company generally or to a class of shareholders which includes the Option Holder, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Option Holder of full particulars of the Offer, whereupon all Shares subject to such Option ("Option Shares") will become vested and the Option may be exercised in whole or in part by the Option Holder so as to permit the Option Holder to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

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

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Option Holder to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to section 4.3 shall be reinstated. If any Option Shares are returned to the Company under this section 6.3, the Company shall immediately refund the Exercise Price to the Option Holder for such Option Shares.

6.4 Acceleration of Expiry Date If at any time when an Option granted under the Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Option Holder of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, vested, subject to Exchange Policy as it relates to vesting of options to persons conducting Investor Relations Activities, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

6.5 Effect of a Change of Control If a Change of Control (as defined below) occurs, subject to Exchange Policy as it relates to vesting of Options to persons conducting Investor Relations Activities, all Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Option Holder. "Change of Control" means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

## PART 7

### **SECURITIES LAWS AND EXCHANGE POLICY**

- 7.1 **Exchange's Rules and Policies Apply** This Plan and the granting and exercise of any Options hereunder are also subject to such other terms and conditions as are set out from time to time in the Securities Laws and Exchange Policy and such rules and policies shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between the provisions of such rules and policies and of this Plan, the provisions of such rules and policies shall govern. In the event that the Company's listing changes from one tier to another tier on a stock exchange or the Company's Shares are listed on a new stock exchange, the granting of Options shall be governed by the rules and policies of such new tier or new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant Options pursuant to the rules and policies of such new tier or new stock exchange without requiring shareholder approval.

## PART 8

### **AMENDMENT OF PLAN**

- 8.1 **Board May Amend** The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the Option Holders concerned, affect the terms and conditions of Options previously granted under this Plan which have not then been exercised or terminated.
- 8.2 **Exchange Approval** Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policy and Securities Laws has been received.
- 8.3 **Amendment to Insider's Options** Any amendment to Options held by Insiders of the Company at the time of the amendment, which results in a reduction in the exercise price of the options, is conditional upon obtaining of disinterested shareholder approval (as is required by Exchange Policy) to that amendment.

## PART 9

### **EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS**

- 9.1 **Other Options Not Affected** This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Consultants and Employees.

## PART 10

### **OPTION HOLDER'S RIGHTS AS A SHAREHOLDER**

- 10.1 **No Rights Until Option Exercised** An Option Holder shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to him upon exercise of an Option.

**PART 11**

**EFFECTIVE DATE OF PLAN**

- 11.1 Effective Date This Plan shall become effective upon the later of the date of acceptance for filing of this Plan by the Exchange or the approval of this Plan by the shareholders of the Company, however, Options may be granted under this Plan prior to the receipt of approval by shareholders and acceptance from the Exchange. The Plan is subject to annual approval by the Company's shareholders at a shareholder meeting and by the Exchange.

DATE OF PLAN: February 15, 2019, as approved by shareholders at the AGM

## SCHEDULE "A"

**NOTE: TSXV legend required if options granted at Discounted Market Price or for options to directors, officers, promoters and 10%+ shareholders**

Without prior written approval of 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 TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date – 4 months and one day].

**NOTE: Vesting provisions required for IR Options – include Schedule**

### OPTION CERTIFICATE

This Option Certificate confirms that, effective \_\_\_\_\_ 20\_\_ (the "Effective Date") Westminster Resources Ltd. (the "Company") has granted to \_\_\_\_\_ (the "Optionee"), an option (the "Option") to acquire \_\_\_\_\_ common shares of the Company ("Optioned Shares") exercisable up to 5:00 p.m. Vancouver Time on \_\_\_\_\_, 20\_\_ (the "Expiry Date") at a price of CAD \$0.\_\_\_\_ per share (the "Exercise Price").

The Option evidenced by this Option Certificate is an option granted pursuant to the Company's stock option plan as amended from time to time ("Plan") and, except as otherwise set out in this Option Certificate, is subject to the terms and conditions of the Plan, all of which are incorporated herein.

The Expiry Date of the Options evidenced by this Option Certificate is the earlier of the Expiry Date and the date \_\_\_\_ days after which the Optionee ceases to be involved with the Company as a person eligible to receive Options under the terms of the Plan.

To exercise your Option, deliver a completed notice in the form attached as Exhibit A to this Option Certificate to the Company prior to the Expiry Date specifying the number of Optioned Shares you wish to acquire together with a certified cheque or bank draft payable to the Company for the aggregate Exercise Price for such Optioned Shares. A share certificate or electronic confirmation through a direct registration system or other book-entry system representing the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and will bear the applicable resale restrictions.

This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

### **WESTMINSTER RESOURCES LTD.**

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

### **Agreed to and Acknowledged by:**

\_\_\_\_\_  
Signature of Optionee

Date:

**OPTION CERTIFICATE - SCHEDULE**

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

1. the right to exercise [25% of the Option Shares] Shares will vest on [the day that is three months following the date of the Option Certificate].
2. the right to exercise [25% of the Option Shares] Shares will vest on [the day that is six months following the date of the Option Certificate].
3. the right to exercise [25% of the Option Shares] Shares will vest on [the day that is nine months following the date of the Option Certificate].
4. the right to exercise [25% of the Option Shares] Shares will vest on [the day that is twelve months following the date of the Option Certificate].

**EXHIBIT A**  
**NOTICE OF EXERCISE OF STOCK OPTION**

To: WESTMINSTER RESOURCES LTD.

Option Certificate dated \_\_\_\_\_, 20\_\_\_\_ issued to the undersigned by  
\_\_\_\_\_ (“Option Certificate”)

This notice is given pursuant to the Option Certificate. Terms used in this notice that are defined in the Option Certificate have corresponding meanings.

The undersigned hereby exercises the Option to purchase the number of Optioned Shares designated below pursuant to the terms and conditions set out or referenced in the Option Certificate and encloses a certified cheque or bank draft for the aggregate Exercise Price for such Optioned Shares.

The Optionee understands that the Optionee may suffer adverse tax consequences as a result of the Optionee’s purchase or disposition of the Optioned Shares. The Optionee represents that the Optionee has consulted with any tax consultants the Optionee deems advisable in connection with the purchase or disposition of the Optioned Shares and that the Optionee is not relying on the Company for any tax advice.

Number of Optioned Shares: \_\_\_\_\_

Exercise Price per Optioned Share: \_\_\_\_\_

Total Exercise Price: \_\_\_\_\_

The Optionee directs the Company to issue the share certificate (physically or electronically through direct registration or other electronic book-entry system) evidencing the Optioned Shares in the name of the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Print name in full

\_\_\_\_\_  
Residential Address

\_\_\_\_\_