



MAYO LAKE MINERALS INC.
RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT
COMPENSATION PLAN

1. Purpose and Amendment

- (a) **Background.** The Corporation currently has in place a Stock Option Plan, pursuant to which Options have been granted to purchase Shares of the Corporation. Subject to Section 14, the Corporation now also adopts this Plan on the terms and conditions herein set forth (as may be amended from time to time) in order to provide the Corporation with flexibility in designing various equity-based compensation arrangements for the Employees, Officers, Consultants and Non-Employee Directors of the Corporation and its Designated Affiliates. Section 14 sets forth the provisions concerning the effective date of the Plan, its termination, and application to Awards under the existing and continuing Stock Option Plan.
- (b) **Purpose.** The purpose of this Plan is to advance the interests of the Corporation by encouraging Employees, Consultants and Non-Employee Directors to receive equity-based compensation and incentives, thereby (i) increasing the proprietary interests of such Persons in the Corporation, (ii) aligning the interests of such Persons with the interests of the Corporation's shareholders generally, (iii) encouraging such Persons to remain associated with the Corporation, and (iv) furnishing such Persons with additional incentive in their efforts on behalf of the Corporation. The Board also contemplates that through the Plan, the Corporation will be better able to compete for and retain the services of the individuals needed for the continued growth and success of the Corporation.

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

Deferred Share Units granted pursuant to this Plan will be used as a means of reducing the cash payable by the Corporation in respect of director compensable amounts. In so doing, the interests of directors will become more closely aligned with those of the Corporation and its shareholders.

2. Definitions

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

- (a) **“Act”** means the *Business Corporations Act* (Ontario), or its successor, as amended, from time to time;
- (b) **“Affiliate”** means any corporation that is an affiliated company of the Corporation as defined in *Securities Act* (Ontario), as may be amended from time to time;

- (c) “**Awards**” shall mean, collectively, Restricted Share Units and Deferred Share Units;
- (d) “**Board**” means the board of directors of the Corporation;
- (e) “**Change of Control**” means the occurrence of any one or more of the following events:
 - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the outstanding voting shares of the successor corporation after completion of the transaction;
 - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets of the Corporation to another entity, other than a disposition to a wholly-owned Affiliate in the course of a reorganization of the assets of the Corporation and its Affiliates;
 - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
 - (iv) the acquisition by any “offeror” (as defined in section 89 of the *Securities Act* (Ontario) as at the date hereof) of beneficial ownership of 50% or more of the votes attached to the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
 - (v) any person, entity or group of persons or entities acting jointly or in concert acquires the right to direct the management and policies of the Corporation; or
 - (vi) as a result of or in connection with: (A) a contested election of directors, or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent Management Information Circular of the Corporation for election to the Board shall not constitute a majority of the Board.

As to any given Awards or all Awards, the Granting Authority may establish, in the terms of the Award, additional conditions or events that must occur in order for a “Change of Control” to occur under such Award(s) (including the termination of employment);

- (f) “**Committee**” means the Corporation’s Compensation Committee and any other committee of the Board constituted as provided for in Section 3 and authorized by the Board to take actions with respect to the Plan as provided in Section 3, provided that such Committee is composed of two or more Non-Employee Directors;
- (g) “**Consultant**” shall have the meaning ascribed to it under the applicable policies and rules of the listing stock exchange in effect from time to time;

- (h) “**Control**” shall mean, with respect to any Person, the possession, directly or indirectly, severally or jointly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise;
- (i) “**Corporation**” means MAYO LAKE MINERALS INC., a corporation existing under the Act, and includes any successor corporation thereof;
- (j) “**Deferred Share Units**” shall mean a right, granted in accordance with Section 6 hereof, to receive a Share that is settled, if at all, only after the Participant’s Eligible Retirement, death or cessation or termination of office or employment, as described herein;
- (k) “**Designated Affiliate**” means the Affiliates of the Corporation designated by the Committee for purposes of the Plan from time to time other than Wallbridge Mining Company Limited;
- (l) “**Effective Date**” shall mean the date as of which an Award shall take effect, provided that the Effective Date shall not be a date prior to the date the Granting Authority determines an Award shall be made and, unless otherwise specified by the Granting Authority, the Effective Date will be the date the Granting Authority determines an Award shall be made;
- (m) “**Eligible Retirement**” shall mean, if determined by the Granting Authority in its sole discretion, termination of service, under circumstances as shall constitute retirement for age as determined by the Granting Authority or in accordance with the written policies established by the Granting Authority as amended or revised from time to time;
- (n) “**Employees**” means:
 - (i) an individual who is considered an employee under the ITA (such as an individual for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at the source) of the Corporation or any Designated Affiliate;
 - (ii) an individual who works full-time for the Corporation or any Designated Affiliate thereof providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation or any Designated Affiliate thereof, but for whom income tax deductions are not made at the source; or
 - (iii) an individual who works for the Corporation or any Designated Affiliate thereof on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation or any Designated Affiliate thereof over the details and methods of work as an employee of the Corporation or any Designated Affiliate thereof, but for whom income tax deductions are not made at the source

- (o) “**Granting Authority**” shall mean the Board, the Committee or other committee, as applicable, that is charged with exercising the powers and responsibility as to a specific matter in question affecting this Plan or an Award;
- (p) “**Insiders**” shall mean a reporting insider as defined in National Instrument 55-104 – Insider Reporting Requirements and Exemptions;
- (q) “**IRC**” shall mean the *Internal Revenue Code* (United States) and any regulations thereunder as amended from time to time;
- (r) “**ITA**” shall mean the *Income Tax Act* (Canada) and any regulations thereunder as amended from time to time;
- (s) “**Market Value**” of a Share as of a relevant date shall mean the fair market value as determined by the Granting Authority:
 - (i) in accordance with the rules of the listing exchange if the Shares are then listed; or;
 - (ii) if the Shares are not publicly traded at the time a determination of its fair market value is required to be made hereunder, the determination of fair market value shall be made in good faith by the Granting Authority using any fair and reasonable means selected in the Granting Authority’s discretion;
- (t) “**Non-Employee Director**” shall mean an individual who is a member of the Board but who is not otherwise an Employee or a Consultant of the Corporation or of any Designated Affiliate at the date the Award is granted;
- (u) “**Officer**” shall mean any officer of the Corporation;
- (v) “**Option**” shall mean an option granted in accordance with the terms of the Stock Option Plan of the Corporation to purchase a Share;
- (w) “**Participants**” or “**Grantees**” shall mean those individuals to whom Awards have been granted from time to time under the Plan. The executors and administrators of such Participant’s estate, any Person or Persons who acquire the right to exercise and Award directly from the Participant by bequest or inheritance or any other permitted transferee of the Participant under Section 8 hereof shall be treated as a Participant solely for the purposes of exercising and enforcing an Award according to the terms thereof and of this Plan;
- (x) “**Performance Criteria**” shall mean such financial, personal and/or other performance criteria as may be determined by the Granting Authority with respect to Awards of Restricted Share Units and, for greater certainty, the Committee may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Corporation and any other factors which the Granting Authority deems appropriate and relevant;

- (y) **“Person”** shall mean, unless the context otherwise requires or unless and to the extent otherwise limited or required by applicable law or rules of a Stock Exchange, any natural person, firm, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity;
- (z) **“Plan”** shall mean this Restricted Share Unit and Deferred Share Unit Compensation Plan, as amended and restated from time to time;
- (aa) **“Restricted Period”** shall mean the period established by the Granting Authority with respect to an Award during which the Award either remains subject to forfeiture or is not exercisable by the Participant;
- (bb) **“Restricted Share Unit”** shall mean a right, granted in accordance with Section 6 hereof, to receive a Share that generally becomes Vested, if at all, based on the Participant’s period of employment with the Corporation and/or such other Vesting criteria as determined by the Granting Authority from time to time;
- (cc) **“Shareholder Approval Date”** means the date on which this Plan is approved by shareholders of the Corporation;
- (dd) **“Shares”** means the common shares in the capital of the Corporation, as adjusted in accordance with the provisions of Section 9 of this Plan;
- (ee) **“Stock Exchange”** shall mean the any recognized stock exchange where the Shares of the Corporation are listed for trading;
- (ff) **“Stock Option Plan”** means the Corporation’s Stock Option Plan as it exists on the date hereof and as may be amended from time to time;
- (gg) **“Termination”** means: (i) in the case of an Employee, the termination of the employment of the Employee with or without cause by the Corporation or a Designated Affiliate or the cessation of employment of the Employee with the Corporation or a Designated Affiliate, other than the Eligible Retirement, of the Employee; and (ii) in the case of a Consultant, the termination of the services of the Consultant by the Corporation or any Designated Affiliate;
- (hh) **“US”** means the United States of America; and
- (ii) **“Vested”** or **“Vesting”** shall mean, with respect to an Award, that the applicable conditions established by the Granting Authority or this Plan have been satisfied or, to the extent permitted under the Plan, waived, whether or not the Participant’s rights with respect to such Award may be conditioned upon prior or subsequent compliance with any confidentiality, non-competition or non-solicitation obligations.

3. Administration

- (a) **Powers of the Board and the Committee.** Subject to and consistent with the terms of the Plan, applicable law and applicable rules of the Stock Exchange, and subject to the provisions of any charter adopted by the Board with respect to the powers, authority and operation of the Committee (as amended from time to time), the Board will have the general power to administer the Plan in accordance with its terms (including all powers specified in Section 3(a)(ii) and make all determinations required or permitted to be made, provided, however, that the Board may delegate all or any portion of such powers to the Committee or to other committees; and provided, further, that with respect to Awards of the Corporation's executive officers, the Committee shall have such powers as are set forth in Section 3(a)(i).
- (i) **Specific Provisions Concerning Delegation of Authority to the Committee.** In addition to any authority of the Committee specified under any other terms of the Plan, and notwithstanding any other provision herein to the contrary, insofar as Awards under the Plan are to be made to executive officers, the Committee will make recommendations to the Board with respect to Awards.

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

- (ii) **Specific Powers of the Granting Authority.** Without limiting the lead-in paragraph of Section 3(a), the powers of the Granting Authority shall include the powers to, subject to Section 10(c):
- (1) interpret the Plan and instruments of grant evidencing the Awards;
 - (2) prescribe, amend and rescind such procedures and policies, and make all determinations it deems necessary or desirable for the administration and interpretation of the Plan and instruments of grant evidencing Awards;
 - (3) determine those Persons who are eligible to be Participants, grant one or more Awards to such Persons and approve or authorize the applicable form and terms of the related instrument of grant;
 - (4) determine the terms and conditions of Awards granted to any Participant, including, without limitation, and subject always to the Plan (1) subject to Section 4(b) and 4(c), the type, and number of Shares subject to an Award, (2) the conditions to the Vesting of an Award or any portion thereof, including terms relating to lump sum or installment Vesting, the period for achievement of any applicable Performance Criteria as a condition to Vesting and the conditions, if any, upon which Vesting of any Award or portion thereof will be waived or accelerated without any further action by the Granting Authority, (3) the circumstances upon which an Award or any

portion thereof shall be forfeited, cancelled or expire, (4) the consequences of a Termination with respect to an Award, (5) the manner of exercise or settlement of the Vested portion of an Award, including whether an Award shall be settled on a current or deferred basis, and (6) whether and the terms upon which any Shares delivered upon exercise or settlement of an Award must continue to be held by a Participant for any specified period;

- (5) set forms of consideration, if any, to be paid with respect to the settlement of an Award (except to the extent certain forms of consideration must be paid to satisfy the requirements of applicable law);
- (6) determine whether and the extent to which any Performance Criteria or other conditions applicable to Vesting of an Award have been satisfied or shall be waived or modified;
- (7) amend the terms of any instrument of grant or other documents evidencing Awards; provided, however, that subject to Section 5(d), no amendment of an Award may, without the consent of the holder of the Award, adversely affect such Person's rights with respect to such Award in any material respect;
- (8) accelerate or waive any condition to the Vesting of any Award, all Awards, any class of Awards or Awards held by any group of Participants; and
- (9) determine whether and the extent to which adjustments shall be made pursuant to Section 9 and the terms of any such adjustments.

However, the Granting Authority shall not have any discretion under this Section 3(a) or any other provisions of the Plan that would modify the terms or conditions of any Award that is intended to be exempt from the definition of "salary deferral arrangement" in the ITA if the exercise of such discretion would cause the Award to not be or cease to be exempt. The Granting Authority will also exercise its discretion in good faith in accordance with the Corporation's intention that the terms of the Awards and the modifications or waivers permitted hereby are in compliance with applicable law and the rules of the Stock Exchange.

- (b) **Effects of Granting Authority's Decision.** Any action taken, interpretation or determination made, or any rule or regulation adopted by the Granting Authority pursuant to this Plan shall be made in its sole discretion and shall be final, binding and conclusive on all affected Persons, including, without limitation, the Corporation, any of its Designated Affiliates, any grantee, holder or beneficiary of an Award, any shareholder and any Employee, Consultant or Non-Employee Director.
- (c) **Liability Limitation and Indemnification.** No member of the Granting Authority or the Board generally shall be liable for any action or determination made in good faith pursuant to the Plan or any instrument of grant evidencing any Award granted under the Plan. To the fullest extent permitted by law, the Corporation shall indemnify and save harmless, and shall advance and reimburse the expenses of, each Person made, or threatened to be made,

a party to any action or proceeding in respect of the Plan by reason of the fact that such Person is or was a member of the Granting Authority or is or was a member of the Board in respect of any claim, loss, damage or expense (including legal fees) arising therefrom.

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

4. **Shares Subject to the Plan**

- (a) **Aggregate Plan Limits.** Subject to adjustment pursuant to Section 9, the maximum aggregate number of Shares that may be subject to issuance at any given time in connection with the Awards granted under the Plan shall not exceed 5,000,000 Shares unless shareholder approval for an additional listing of Shares under this Plan has been obtained. Notwithstanding the foregoing, at no time shall the amount of Shares that may be subject to issuance under this Plan and the number of Shares that may be issued under the Stock Option Plan together exceed 20% of the total number of issued and outstanding Shares of the Corporation (calculated on a non-diluted basis) as at the date of shareholder approval of the Plan and Stock Option Plan from time to time. For the purposes of computing the foregoing limits the following shall not be counted against such limitations:
- (i) Shares subject to any Option granted under the Stock Option Plan that are reserved on the Shareholder Approval Date (or any portion thereof) where the Option has expired or is forfeited, surrendered, cancelled or otherwise terminated;
 - (ii) To the extent that any Options which lapse unexercised, are cancelled or expire without Vesting, the Shares reserved thereunder will be treated as not having been issued for the purposes of computing the foregoing limitation; and any issuance of Shares pursuant to the terms of an Option will reduce the number of Shares reserved for issuance pursuant to the Option;
 - (iii) Any available shares under a pre-existing shareholder approved plan of a company acquired by the Corporation or a Designated Affiliate or with which the Corporation or a Designated Affiliate combines, and not adopted in contemplation of such acquisition or combination (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination); provided

that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Non-Employee Directors prior to such combination.

- (b) **Certain Additional Limits.** For as long as the Shares are listed for trading,
- (i) the total number of Shares reserved and available for issuance pursuant to this Plan together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation including the Stock Option Plan shall, subject to the adjustments provided for herein and therein, not exceed 20% of the issued and outstanding Shares of the Corporation on the relevant shareholder approval date;
 - (ii) the number of Shares reserved for issuance pursuant to this Plan (together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to any one person within a one-year period shall not exceed 5% of the Shares outstanding on a non-diluted basis from time to time;
 - (iii) the number of Shares which may be reserved for issuance pursuant to this Plan (together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to all Insiders shall not exceed 10% of the Shares outstanding on a non-diluted basis from time to time;
 - (iv) the number of Shares which may be issued pursuant to this Plan (together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to all Insiders within a one-year period shall not exceed 10% of the Shares outstanding on a non-diluted basis from time to time;
 - (v) the number of Shares which may be issued pursuant to this Plan (together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) to any one Insider and such Insider's Affiliates or associates within a one-year period shall not exceed 5% of the Shares outstanding on a non-diluted basis from time to time;
 - (vi) the number of Shares which may be issued pursuant to this Plan together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation to any one consultant in any 12 month period shall not exceed 2% of the Shares outstanding on a non-diluted basis from time to time; and
 - (vii) the number of Shares which may be issued pursuant to this Plan together with those Shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation to all employees

conducting investor relations activities in any 12 month period shall not exceed the aggregate of 2% of the Shares outstanding on a non-diluted basis from time to time.

For the purposes of determining compliance with the above restrictions, the Granting Authority will take into account Shares reserved or issued pursuant to Options together with Shares reserved or issued pursuant to all of the Corporation's security-based compensation arrangements (including this Plan) to the extent required by applicable law and applicable rules of the listing stock exchange .

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

5. **General Provisions Relating to Awards**

- (a) **Eligibility**. Awards will be granted only to those Persons who are, at the time of the grant, Non-Employee Directors, Officers, Employees or Consultants to the Corporation or its Designated Affiliates. If any Participant is (pursuant to the terms of his or her employment or otherwise) subject to a requirement that he or she not benefit personally from an Award, the Granting Authority may grant any Award to which such Person would otherwise be entitled to the Person's employer or to any other entity designated by them that directly or indirectly imposes such requirement on the Person. The Granting Authority shall have the power to determine other eligibility requirements with respect to Awards or types of Awards.
- (b) **Terms of Grant**. Subject to the other express terms of this Plan, grants of Awards under the Plan shall contain such terms and conditions as the Granting Authority may specify. Without limiting the foregoing,
- (i) Each Award granted under the Plan shall be evidenced by an instrument of grant, in such form or forms as the Granting Authority shall approve from time to time, which shall set forth such terms and conditions consistent with the terms of the Plan as the Granting Authority may determine. Each instrument of grant shall set forth, at a minimum, the type and Effective Date of the Award evidenced thereby, the number of Shares subject to such Awards and the applicable Vesting conditions. Reference in the Plan to an instrument of grant shall include any supplements or amendments thereto;
- (ii) The term or Restricted Period of each Award that is a Restricted Share Unit shall be for such period as may be determined by the Granting Authority; provided, however, that in no event shall the term of any Restricted Share Unit exceed a period of ten years (or such other shorter term as may be required in respect of an

Award so that such Award does not constitute a “salary deferral arrangement” as defined in subsection 248(1) of the ITA);

- (iii) The terms, conditions and/or restrictions contained in an Award may differ from terms, conditions and restrictions contained in any other Awards;
 - (iv) The Granting Authority may specify such other terms and conditions, consistent with the terms of the Plan, as the Granting Authority shall determine or as shall be required under any other provisions of the Plan. Such terms may include, without limitation, provisions requiring forfeiture of Awards in the event of termination of employment by the Participant and provisions permitting a Participant to make elections relating to his or her Award.
- (c) **Vesting Conditions.** Subject to terms of the Plan, the Granting Authority shall determine any and all conditions to the Vesting of all and/or any portion of Awards and shall specify the material terms thereof in the applicable instrument of grant on, or as soon as reasonably practicable following, the Effective Date of the Award. Vesting of an Award, or portion thereof, may be conditioned upon passage of time, continued employment, satisfaction of Performance Criteria, or any combination of the foregoing, as determined by the Granting Authority.
- (d) **Change of Control.** Unless otherwise provided in the Award or by direction of the Granting Authority as to all or any type of number of Awards, in the event of a Change of Control and notwithstanding any other Vesting or other restrictions or conditions, the Granting Authority may take whatever action with respect to the Awards outstanding that it deems necessary or desirable, including following:
- (i) the Granting Authority may waive all restrictions and conditions of all Restricted Share Units and Deferred Share Units then outstanding with the result that those types of Awards shall be deemed satisfied, and the Restricted Period or other limitations on payment in full with respect thereto shall be deemed to have expired, as of the date of the Change of Control or such other date as may be determined by the Granting Authority, provided that, in no event shall a payment be made in respect of a Deferred Share Unit granted to a Participant prior to the date such Participant ceases to be an Employee or Director of the Corporation or of a Designated Affiliate.

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

Moreover, if approved by the Board prior to or within thirty (30) days after such time as a Change of Control shall be deemed to have occurred, the Board shall have at any time the right to require

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

- (e) **Fractional Shares.** No fractional Shares shall be issued under the Plan and there shall be no entitlement or payment for any fractional Shares and no payment shall be made in lieu of a fractional Share.
- (f) **Compliance with the ITA.** The terms and conditions applicable to any Award (or portion thereof) granted to a Participant who is subject to taxation under the ITA are intended to comply with the ITA. Without limiting the foregoing,
 - (i) the terms of any such Award (or portion thereof) permitting the deferral of payment or other settlement thereof shall be subject to such requirements and shall be administered in such manner as the Committee may determine to be necessary or appropriate to comply with the applicable provisions of the ITA as in effect from time to time; and
 - (ii) any elections allowed to be exercised by a Participant shall be deemed to be void or shall be deemed amended or altered so as not to cause the Award to be considered a “salary deferral arrangement” under the ITA, as defined in subsection 248(1) or create adverse tax consequences under the ITA.
- (g) **Compliance with the IRC.** In respect of the Plan Participants who are also US taxpayers, all Plan terms will be read as modified so as to effect and ensure compliance with Section 409A of the IRC.

6. **Restricted Share Units and Deferred Share Units**

- (a) **Grants.** The Granting Authority may from time to time grant one or more Awards of Restricted Share Units and/or Deferred Share Units to Officers, Non-Employee Directors, Employees and/or Consultants of the Corporation on such terms and conditions, consistent with the Plan, as the Granting Authority shall determine and which terms shall be contained in a grant agreement substantially in the form annexed hereto as Appendix A (in respect of Restricted Share Units) and Appendix B (in respect of Deferred Share Units).
- (b) **Vesting Terms.** Restricted Share Units shall become Vested at such times, in such installments and subject to such terms and conditions consistent with Section 5(c) hereof as may be determined by the Granting Authority and set forth in the applicable instrument of grant, provided that the conditions to Vesting of Restricted Share Units may be based on the Participant’s continued employment, and having regard to the satisfaction of any

Performance Criteria established by the Granting Authority, provided however that Restricted Share Units shall become Vested and be paid out no later than December 31 of the third calendar year following the calendar year in which the Grantee rendered the employment services in respect of which the Award is being made. Unless otherwise provided at the time of the grant, the Vesting of Deferred Share Units shall occur at such times, in such installments and subject to such terms and conditions as may be determined by the Granting Authority and set forth in the applicable instrument of grant.

- (c) **Settlement.** Unless otherwise determined by the Granting Authority (including by the terms of the Award of the Plan) and subject to the immediately preceding sentence and to Section 6(b), Restricted Share Units shall be settled upon or as soon as reasonably practicable following the Vesting thereof and Deferred Share Units shall be settled on the third business day (or such other period of time as permitted by the Granting Authority under the grant agreement) following the Eligible Retirement or death of the applicable Participant or at the time the Participant otherwise ceases to hold office subject to payment or other satisfaction of all related withholding obligations in accordance with the provisions of this Plan.

Notwithstanding the foregoing, Restricted Share Units shall also Vest in accordance with the following terms:

- (i) upon the death of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date the Corporation is duly notified of the Participant's death. The Shares represented by the Restricted Share Units held by the Participant shall be issued, as determined by the Granting Authority, to the Participant's estate forthwith;
- (ii) in the case of Eligible Retirement of the Participant, all unvested Restricted Share Units credited to the Participant will Vest on the date of Eligible Retirement, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith; and
- (iii) in the case of total disability of the Participant, all unvested Restricted Share Units credited to the Participant will Vest within 60 days following the date in which the Participant is determined to be totally disabled, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith; and
- (iv) in the case of termination without cause by the Corporation of a Participant (other than Eligible Retirement), all unvested Restricted Share Units credited to the Participant shall Vest on the date of such termination, and the Shares represented by Restricted Share Units held by the Participant shall be issued to the Participant forthwith. For clarity, where a Participant is terminated for cause or where the Participant has voluntarily terminated his/her employment or service with the Corporation, all unvested Restricted Share Units as at the date of such termination

or cessation of service shall be immediately cancelled without liability or compensation therefor and be of no further force and effect.

Settlement of Restricted Share Units and Deferred Shares Units in Shares shall be made by delivery of one Share for each such Restricted Share Unit or Deferred Share Unit then being settled.

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

If any Restricted Share Unit or Deferred Share Unit is cancelled in accordance with the terms of the Plan or the agreements evidencing the grant, the Shares reserved for issuance pursuant to such Award shall, upon cancellation of such Restricted Share Unit or Deferred Share Unit, as applicable, revert to the Plan and shall be available for other Awards.

- (d) **Dividend Equivalents.** Neither the Participant nor his or her legal personal representative shall have any rights or privileges of a shareholder in respect of any of the Shares issuable upon exercise of the Award granted to him or her (including any right to receive dividends or other distributions therefrom or thereon) unless and until certificates representing such Shares have been issued and delivered.
- (e) **Timing Requirements.** Notwithstanding any other provision of the Plan, all amounts payable to, or in respect of a grantee in respect of Deferred Share Units including, without limitation, the delivery of Shares shall not be made prior to the date such grantee ceases to be an Employee (including a Non-Employee Director) of the Corporation or a Designated Affiliate and shall be paid or delivered on or before December 31 of the calendar year commencing immediately following the date the grantee ceases to be an Employee (including a Non-Employee Director) of the Corporation or a Designated Affiliate. All Deferred Share Units granted to a Participant shall have such terms and conditions as are necessary to comply with paragraph 6801(d) of the Regulations of the ITA.
- (f) **No Other Benefit.**
 - (i) No amount will be paid to, or in respect of, a Participant (or a Person with whom the Participant does not deal at arm's length within the meaning of the ITA) under the Plan to compensate for a downward fluctuation in the price of a Share or the value of any Award granted, nor will any other form of benefit be conferred upon, or in respect of, a Participant (or a person with whom the Participant does not deal at arm's length within the meaning of the ITA), for such purpose.
 - (ii) The Corporation makes no representations or warranties to Participants with respect to the Plan or any Deferred Share Units or Restricted Share Units whatsoever. Participants are expressly advised that the value of any Deferred Share Units or Restricted Share Units in the Plan will fluctuate as the trading price of the Shares fluctuates.

- (iii) In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Shares and all other risks associated with the holding of Deferred Share Units or Restricted Share Units.

7. **Consequences of Termination**

- (a) **General Provisions.** Unless otherwise determined by the Granting Authority (including by the terms of the Award or the Plan).
 - (i) if employment of an Employee, Officer or service of a Non-Employee Director is terminated for any reason whatsoever other than death, total disability, Eligible Retirement, termination without cause by the Corporation, or if service of a Consultant is terminated for any reason whatsoever other than death, subject to Section 6(c) any non-vested Award granted pursuant to the Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.
 - (ii) If employment of an Employee or Officer or service of a Non-Employee Director is terminated for cause or retirement which is not Eligible Retirement or is otherwise voluntarily terminated by the Employee, Officer or Non-Employee Director, any non-Vested Award granted pursuant to the Plan outstanding at the time of such termination and all rights thereunder shall wholly and completely terminate and no further Vesting shall occur.
- (b) **Discretion of the Granting Authority.** Notwithstanding any other provision hereof and without limiting the discretion of the Granting Authority, the Granting Authority may (whether by terms of the Award or by its election notwithstanding the terms of an Award):
 - (i) Allow non-Vested Awards to be treated as Vested upon termination of employment or service of a Participant, as to any or all of termination, death or total disability;
 - (ii) Provide that the Awards with respect to certain classes, types or groups of Participants will have different acceleration, forfeiture, termination, continuation or other terms than other classes, types or groups of Participants. Without limiting the foregoing, but rather as an example for the foregoing, Awards to Non-Employee Directors may specify that they will become Vested in full upon Eligible Retirement, death, total disability or other change of status even though Awards to Employees do not provide for such acceleration;
 - (iii) Provide for the continuation of any Award for such period and upon such terms and conditions as are determined by the Granting Authority in the event that a Participant ceases to be an Employee, Officer, Non-Employee Director or Consultant;

- (iv) Subject to the applicable rules of the Stock Exchange, provide that Vested Awards may be exercised for periods longer or different from those set forth in Section 7(a); or
- (v) Set any other terms for the exercise or termination of Awards upon termination of employment or service;

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

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

8. **Transferability**

- (a) **Transfer Restrictions.** Unless otherwise provided in the instrument of grant evidencing an Award, no Award, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for payment of the Participant’s debts, judgments, alimony or separate maintenance.
- (b) In the case where transfer is made following the death of a Participant to the Participant’s legal personal representative, such legal personal may only receive the entitlement under the Award provided that it is exercised (if exercisable) at any time up to and including, but not after, 5:00 o’clock in the afternoon (Toronto Time) on the date which is 1 year following the date of death of the Participant or up to 5:00 o’clock in the afternoon (Toronto Time) on the date on which the Award granted to such participant expires, whichever is the earlier; such entitlement shall only occur in cases where the Award has Vested in accordance with the provisions of the Plan and where it is found that the Participant is legally entitled to the Award.

9. **Adjustments**

- (a) **No Restriction on Action.** The existence of the Plan and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the

shareholders of the Corporation to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the capital structure or business of the Corporation, (ii) any merger, consolidation, amalgamation or change in ownership of the Corporation, (iii) any issue of bonds, debentures, capital, preferred or prior preference Shares ahead of or affecting the capital Share of the Corporation or the rights thereof, (iv) any dissolution or liquidation of the Corporation, (v) any sale or transfer of all or any part of the assets or business of the Corporation, or (vi) any other corporate act or proceeding with respect to the Corporation. No Participant or any other Person shall have any claim against any member of the Board of Directors or the Granting Authority, or the Corporation or any employees, officers or agents of the Corporation as a result of any such action.

(b) **Recapitalization Adjustment**

- (i) In the event that (A) a dividend shall be declared upon the Shares or other securities of the Corporation payable in Shares or other securities of the Corporation, (B) the outstanding Shares shall be changed into or exchanged for a different number or kind of shares or securities of the Corporation or of another corporation or entity, whether through an arrangement, plan of arrangement, amalgamation, or other similar statutory procedure or a share recapitalization, subdivisions, consolidation or otherwise, (C) there shall be any change, other than those specified in (A) or (B) above, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, or (D) there shall be a distribution of assets or shares to shareholders of the Corporation out of the ordinary course of business then, the Granting Authority shall determine whether an adjustment in the number or kind of Shares theretofore authorized but not yet covered by Awards, in the number or kind of Shares theretofore subject to outstanding Awards, in the number or kind of Shares generally available for Awards or available in any calendar year under the Plan and/or such other adjustment as may be appropriate should be made, in order to ensure that, after any such event, the Shares subject to the Plan and each Participant's proportionate interest shall be maintained substantially as before the occurrence of the event, and if the Granting Authority determines that an adjustment should be made, such adjustment shall be made and be effective and binding for all purposes.
- (ii) Any adjustment to any Award granted to a Participant which has been designed to fall within a specific exemption to the definition of "salary deferral arrangement" in subsection 248(1) of the ITA shall be such as to ensure the continued availability of such exemption.

10. **Amendment and Termination**

- (a) **General.** Subject to the provisions of Section 10(c), the Board may amend, suspend or terminate this Plan, or any portion thereof, at any time, subject to those provisions of applicable law and the rules of the Stock Exchange, if any, that require the approval of shareholders or any governmental regulative body.

- (b) **Amendments Specifically Permitted.** Without limiting the generality of the foregoing, the Board may make the following types of amendments to the Plan without seeking shareholder approval (unless and to the extent prohibited by applicable law or rule of a Stock Exchange):
- (i) amendments of a technical, clerical or “housekeeping” nature including, without limiting the generality of the foregoing, any amendments for the purpose of curing any ambiguity, error or omission in the Plan or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
 - (ii) amendments necessary to comply with the provisions of applicable law and the applicable rules of the Stock Exchange;
 - (iii) amendments necessary in order for Awards to qualify for favourable treatment under the ITA or under the United States *Internal Revenue Code*;
 - (iv) amendments respecting administration of the Plan;
 - (v) any amendments to the vesting provision of the Plan or any Award;
 - (vi) any amendments to the early termination provisions of the Plan or any Award, whether or not such Award is held by an Insider, provided such amendment does not entail an extension of an Award beyond the original expiry date;
 - (vii) any amendments in the termination provision of the Plan or any Award, other than an Award held by an Insider in the case of an amendment extending the term of an Award, provided any such amendment does not entail an extension of the expiry date of such Award beyond its original expiry date;
 - (viii) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of Participants of Shares under the Plan, and the subsequent amendment of any such provision;
 - (ix) the addition or modification of a cashless exercise feature, payable in cash or Shares, which provides for a full deduction of the number of underlying Shares from the Plan reserve;
 - (x) adjustments to outstanding Awards in the event of a Change of Control or similar transaction entered into by the Corporation;
 - (xi) amendments necessary to suspend or terminate the Plan; and
 - (xii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law or the rules of the Stock Exchange.

- (c) **Shareholder Approval**. To the extent required by applicable law or by the rules of the Stock Exchange, shareholder approval will be required for the following types of amendments:
- (i) any amendment extending the term of an Award beyond its original expiry date except as otherwise permitted by the Plan;
 - (ii) any amendment extending eligibility to participate in the Plan to persons other than Officers, Employees, Non-Employee Directors or Consultants or increasing the annual limit on Awards to Non-Employee Directors;
 - (iii) any amendment permitting the transfer of Awards, other than for normal estate settlement purposes or to a trust governed by a registered retirement savings plan, registered retirement income fund, tax free savings account, registered education savings plan or similar plan;
 - (iv) any amendment increasing the maximum aggregate number of Shares that may be subject to issuance at any given time in connection with Awards granted under the Plan;
 - (v) any amendment to these amendment provisions;
 - (vi) the adoption of any option exchange involving an Award; and
 - (vii) any other amendment required to be approved by shareholder under applicable law or rules of a Stock Exchange.

To the extent of any conflict between Section 10(b) and Section 10(c), Section 10(c) shall control.

11. **Regulatory Approval**

Notwithstanding anything herein to the contrary, the Corporation shall not be obligated to cause to be issued any Shares or cause to be issued and delivered any certificates evidencing Shares pursuant to the Plan, unless and until the Corporation is advised by its legal counsel that the issuance and delivery of the Shares and such Share certificates is in compliance with all applicable laws, regulations, rules, orders of governmental or regulatory authorities in Canada, the United States and any other applicable jurisdiction, and the requirements of the Stock Exchange. The Corporation shall in no event be obligated to take any action in order to cause the issuance or delivery of Shares or such certificates to comply with any such laws, regulations, and delivery of such Shares or certificates and in order to ensure compliance with such laws, regulations, rules, orders and requirements, that the Participant, or any permitted transferee of the Participant under Section 7 hereof or, after his or her death, the Participant's estate, as described in Section 7 hereof, make such covenants, agreements and representations as the Granting Authority deems necessary or desirable.

12. **No Additional Rights**

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

13. **Miscellaneous Provision**

- (a) **Shareholder Rights**. A Participant shall not have the right or be entitled to exercise any voting rights, receive any dividends or have or be entitled to any other rights as a shareholder in respect of Shares subject to an Award unless and until such Shares have been paid for in full and issued any certificates therefor have been issued to the Participant. A Participant entitled to Shares as result of the settlement of a Restricted Share Unit or Deferred Share Unit shall not be deemed for any purpose to be, or have any such rights as a shareholder of the company by virtue of such exercise or settlement, except to the extent a Share certificate is issued therefor and then only from the date such certificate is issued. No adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date such Share certificate is issued.
- (b) **Withholding**. The Corporation or any Designated Affiliate may withhold from any amount payable to a Participant, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation or any Designated Affiliate will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or that any other required deductions are paid or otherwise satisfied, at the minimum statutory rate. Subject to the other provisions of the Plan, the Corporation shall also have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to a Participant hereunder. The Corporation may require a Participant, as a condition to the settlement of a Restricted Share Unit or a Deferred Share Unit, to pay or reimburse the Corporation for any such withholding (at the minimum statutory rate) or other required deduction amounts related to the settlement of Restricted Share Units or Deferred Share Units.
- (c) **Governing Law**. The Plan, all instruments of grant evidencing Awards granted hereunder and any other agreements or other documents relating to the Plan shall be interpreted and construed in accordance with the laws of Ontario (and the federal laws having application therein), except to the extent the terms of the Plan, any supplement to the Plan, or the Award in question expressly provides for application of the laws of another jurisdiction. The Granting Authority may provide that any dispute as to any Award shall be presented and determined in such forum as the Granting Authority may specify, including through binding arbitration. Any reference in the Plan, in any instruments of grant evidencing Awards granted hereunder or in any other agreement or document relating to the Plan to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.

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

- (d) **Compliance with Laws of Other Jurisdictions.** Awards may be granted to Participants who are citizens or residents of a jurisdiction other than Canada or the United States on such terms and conditions different from those under the Plan as may be determined by the Granting Authority to be necessary or advisable to achieve the purposes of the Plan while also complying with applicable local laws, customs and tax practices, including any such terms and conditions as may be set forth in any supplement to the Plan intended to govern the terms of any such Award. In no event shall the eligibility, grant, exercise or settlement of an Award constitute a term of employment, or entitlement with respect to employment, of any employee.
- (e) **Funding.** Except as would not result in adverse tax consequences to a Participant, no provision of the Plan shall require or permit the Corporation, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Corporation maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Corporation, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other Employees, Officers, Consultants or Non-Employee Directors under general law.
- (f) **No Guarantee of Tax Consequences.** Neither the Board, nor the Corporation nor the Granting Authority makes any commitment or guarantee that any specific tax treatment will apply or be available to any Person participating or eligible to participate hereunder.

14. **Effective Date and Term of Plan**

- (a) **Effective Date of the Plan.** The Plan shall initially become effective on the Shareholder Approval Date, and any subsequent amendments to the Plan, shall become effective upon their adoption by the Board, subject to approval by the shareholders of the Corporation at the next annual meeting of Shareholder of the Corporation or any adjournment thereof, to the extent required. The effective date of this Plan, as so amended, shall be the date of approval by the shareholders. If the shareholders do not approve the Plan, or any amendments to the Plan requiring shareholder approval, the Plan or such amendments shall not be effective, and any and all actions taken prior thereto under the amendments effected hereby, including the making of any Awards subject to such approval being obtained, shall be null and void or shall, if necessary, be deemed to have been fully rescinded. However, in such case the Stock Option Plan shall remain in effect.

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

- (c) **Termination.** The Board may suspend or terminate the Plan at any time, provided that such suspension or termination shall not affect any Awards that became effective pursuant to the Plan prior to such termination or suspension. The Plan shall automatically terminate on failure to receive requisite shareholder confirmation every year (or such other period of time as required by the Stock Exchange) from the date of its initial approval by shareholders provided that such termination shall not affect any Awards that became effective pursuant to the Plan prior to such termination.



APPENDIX A

RESTRICTED SHARE UNIT AGREEMENT

THIS RESTRICTED SHARE UNIT AGREEMENT (the “**Agreement**”) is made as of the [■] day of [■],[■]

B E T W E E N :

MAYO LAKE MINERALS INC.
(herein called the “**Corporation**”)

- and -

[■]
(herein called the “**Grantee**”)

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

Each Unit (as defined below) granted to the Grantee hereunder represents a right of the Grantee to receive one common share in the capital of the Corporation as presently constituted (each a “**Common Share**”) on the terms set out herein.

The Corporation has granted to the Grantee, as of the Date of Grant set out in Schedule A, that number of restricted share units (the “**Units**”) equal to the number of Units set out in Schedule A, upon the terms and conditions set out in this Agreement, including the following:

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

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

Vesting. Subject to the earlier vesting provisions set out herein, the Units granted by the Corporation to the Grantee as set out on Schedule A shall vest in accordance with the vesting provisions set out on Schedule A (provided that in no event will the Grantee become entitled to acquire a fraction of a Common Share);

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by the Corporation or a wholly owned subsidiary of the Corporation (a "**Subsidiary**") or in the event that the Grantee terminates employment with the Corporation and its Subsidiaries by reason of Eligible Retirement, death or total disability (as determined by the Committee in good faith) (each an "**Accelerated Vesting Event**"), the non-vested Units will:

- (i) in the case of a Change of Control, Eligible Retirement or death being the Accelerated Vesting Event, immediately become 100% vested, or
- (ii) in the case of total disability being the Accelerated Vesting Event, vest on the sixtieth (60th) day following the Grantee's termination.

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

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

Settlement of Vested Units. Payment to the Grantee in respect of Vested Units will be made in the form of Common Shares only and will be evidenced by book entry registration or by a certificate registered in the name of the Grantee as soon as practicable following the date on which the Units become Vested; provided that the settlement date shall not be later than the third anniversary of the Date of Grant and all payments in respect of Vested Units in the Grantee's Account shall be paid in full on or before December 31 of the same calendar year.

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

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

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

The Corporation makes no representations or warranties to the Grantee with respect to the Plan or the Units whatsoever. The Grantee is expressly advised that the value of Units in the Plan will fluctuate as the value of Common Shares fluctuates.

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

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

Income Taxes: The Grantee acknowledges that he/she will be liable for income tax relating to grants and dispositions of Units. The Grantee hereby acknowledges that the Corporation is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

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

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

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

Unfunded and Unsecured Plan. Unless otherwise determined by the Board, this Agreement and the Plan shall be unfunded and the Corporation will not secure its obligations under this Agreement or the Plan. To the extent any Grantee or his or her estate holds any rights by virtue of a grant of

Units under this Agreement, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

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

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

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

MAYO LAKE MINERALS INC.

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

Schedule A

MAYO LAKE MINERALS INC.

**RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT
COMPENSATION PLAN**

NOTICE OF RESTRICTED SHARE UNITS GRANTED

Grantee: _____

Address: _____

You have been granted Restricted Share Units of MAYO LAKE MINERALS INC. (the “Corporation”), as follows:

Date of Grant: _____

Number of Restricted Share Units: _____

Starting Value of Restricted Share Unit Grant: _____

Vesting Schedule: _____

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

MAYO LAKE MINERALS INC.

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

APPENDIX B

DEFERRED SHARE UNIT AGREEMENT

THIS DEFERRED SHARE UNIT AGREEMENT (the “**Agreement**”) is made as of the [■] day of [■],[■]

B E T W E E N :

MAYO LAKE MINERALS INC.
(herein called the “**Corporation**”)

- and -

[■]
(herein called the “**Grantee**”) .

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

The Corporation has granted to the Grantee, as of the Date of Grant set out in Schedule A, that number of deferred share units (the “**Units**”) equal to the number of Units set out in Schedule A upon the terms and conditions set out in this Agreement, including the following:

1. **Definitions:**

- (a) “**Distribution Date**” means either the Separation Date or such later date as the Grantee may elect (by written notice delivered to the Corporation prior to the Separation Date), provided that in no event shall a Grantee be permitted to elect a date which is later than December 1 of the calendar year following the calendar year in which the Separation Date occurs. In the case of death of a Grantee, the Distribution Date shall have the meaning ascribed to it under section 5 herein;
- (b) “**Related Entity**” has the meaning ascribed to the term “related entity” in section 2.22 of National Instrument 45-106 of the Canadian Securities Administrators, as amended from time to time; and

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

2. **Deferred Share Units.** Each Vested Unit granted to the Grantee hereunder represents a right of the Grantee to receive one Common Share on the Distribution Date (as defined herein).

Grantee’s Notional Account. The Corporation shall maintain in its books a notional account for the Grantee (the **“Grantee’s Account”**) recording the number of Units granted to the Grantee and the number of Units that have Vested. Upon payment in satisfaction of Vested Units through the issuance of Common Shares on or about the Distribution Date (in accordance with the provisions herein), such Vested Units shall be cancelled as of the applicable Distribution Date.

Vesting. Subject to the earlier vesting provisions set out herein, the Units granted by the Corporation to the Grantee as set out on Schedule A shall vest in accordance with the vesting provisions set out on Schedule A; provided that where a Grantee is terminated for cause or where a non-employee director resigns or is otherwise removed as a result of losing his/her eligibility to serve on the Board of Directors due to an order by a regulatory body or stock exchange or for culpable conduct as determined by the Granting Authority, all unvested Units in the Grantee’s account shall be immediately cancelled without liability or compensation therefor and be of no further force and effect (unless otherwise determined by the Granting Authority).

Notwithstanding the vesting provisions above, in the event of a Change of Control while the Grantee is employed by or is a director of the Corporation or a Related Entity or in the event of the Grantee being terminated without cause, the non-vested Units will immediately become 100% vested.

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

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

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

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

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

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

The Corporation makes no representations or warranties to the Grantee with respect to the Plan or the Units whatsoever. The Grantee is expressly advised that the value of Units in the Plan will fluctuate as the value of Common Shares fluctuates.

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

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

Income Taxes: The Grantee acknowledges that he/she will be liable for income tax relating to grants and dispositions of Units. The Grantee hereby acknowledges that the Corporation is making no representation to him/her regarding taxes applicable to the Grantee and the Grantee will confirm the tax treatment with his/her own tax advisor.

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

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

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

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

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

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

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

MAYO LAKE MINERALS INC.

Name: _____

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date:

Schedule A

MAYO LAKE MINERALS INC.

**RESTRICTED SHARE UNIT AND DEFERRED SHARE UNIT
COMPENSATION PLAN**

NOTICE OF DEFERRED SHARE UNITS GRANTED

Grantee: _____

Address: _____

You have been granted Deferred Share Units of MAYO LAKE MINERALS INC. (the “Corporation”), as follows:

Date of Grant: _____

Number of Deferred Share Units: _____

Starting Value of Deferred Share Unit Grant: _____

Vesting Schedule: _____

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

MAYO LAKE MINERALS INC.

Name:

Title:

Date:

GRANTEE

Signature of Grantee

Name:

Title:

Date: