480 – 1140 West Pender Street, Vancouver, BC V6E 4G1
Telephone: 604-839-8076

# NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of the shareholders of Santacruz Silver Mining Ltd. (the "**Company**") will be held at 1600 – 925 West Georgia Street, Vancouver, British Columbia, Canada on November 30, 2026 at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2025, together with the auditor's report thereon;

2. to fix the number of directors at five (5);

3. to elect directors for the ensuing year;

4. to appoint Davidson & Company LLP, Chartered Professional Accountants as the auditors for the ensuing year and to authorize the directors to fix their remuneration;

5. to consider and, if thought fit, to pass an ordinary resolution approving the Company's amended and restated Omnibus Equity Incentive Plan, as more fully set forth in the information circular accompanying this notice;

6. to consider and, if thought fit, to pass an ordinary resolution approving the alteration of the Company's Articles, as more fully set forth in the information circular accompanying this notice; and

7. to transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice of meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. If you are unable to attend in person, please read, complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

Dated this 26th day of October, 2026.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Arturo Prestamo Elizondo"*
Arturo Prestamo Elizondo
Chief Executive Officer, Executive Chairman and a Director

# INFORMATION CIRCULAR

(As at October 26, 2026 except as indicated)

Santacruz Silver Mining Ltd. (the "**Company**") is providing this management information circular (the "**Information Circular**") and a form of proxy in connection with management's solicitation of proxies for use at the annual general and special meeting (the "**Meeting**") of shareholders of the Company (the "**Shareholders**") to be held on November 30, 2026 and at any adjournments thereof. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. References in this Information Circular to "$" are to United States dollars and references to "C$" or "CAD$" are to Canadian dollars, unless otherwise indicated.

## APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the "**Management Proxyholders**").

**A Shareholder has the right to appoint a person other than a Management Proxyholder to represent the Shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Shareholder.**

## VOTING BY PROXY

**Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Common shares of the Company ("**Shares**") represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the notice of meeting accompanying this Information Circular (the "**Notice of Meeting**") in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

**If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

## COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 320 Bay Street, 14th Floor, Toronto, ON M5H 4A6, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## NON-REGISTERED HOLDERS

**Only Shareholders whose names appear on the records of the Company as the registered holders of Shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most Shareholders of the Company are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the Shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited and in the United States, under the name Cede & Co., as nominee for the Depository Trust Company (which acts as a brokerage depository for many U.S. firms and custodial banks) (a "**Nominee**"). If you purchased your Shares through a broker, you are likely a Non-Registered Shareholder.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of voting instruction or proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order to ensure that your Shares are voted at the Meeting.

If you, as a Non-Registered Shareholder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-Registered Shareholders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("**NOBOs**"). Those Non-Registered Shareholders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**"). In accordance with the requirements of NI 54-101, the Company has elected to send the Meeting materials directly to NOBOs.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the

Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

The Company is not sending the Meeting materials to Shareholders using "notice-and-access", as defined under NI 54-101.

## REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a Shareholder, his attorney authorized in writing or, if the Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value, of which 92,994,586 Shares were issued and outstanding as of October 26, 2026. Persons who are registered Shareholders at the close of business on October 19, 2026 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all Shares of the Company.

## ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at five (5).

On September 9, 2026, the board of directors of the Company (the "**Board**") adopted a majority voting policy with respect to the election of directors of the Company (the "**Majority Voting Policy**").

The Majority Voting Policy applies to an "uncontested election" of directors, being an election at which the number of nominees for election as directors is equal to the number of directors to be elected. In accordance with the Majority Voting Policy, shareholders will vote separately in respect of each director nominee. If a director nominee receives a greater number of votes "withheld" from his or her election than votes "for" such election, that director shall immediately following the meeting tender his or her resignation to the Board.

The Board, or a committee of the Board established for that purpose, will consider the resignation and recommend to the Board whether or not to accept it. Any director who has tendered his or her resignation

shall not participate in any meeting of the Board or, if applicable, the committee at which his or her resignation is considered. The Board will accept the resignation unless exceptional circumstances warrant the director continuing to serve on the Board and will make its determination within 90 days following the meeting.

The Company must promptly announce the Board's decision by issuing a news release, a copy of which must be provided to the Toronto Stock Exchange (the "**TSX**"). If the Board determines not to accept a resignation, it must fully state the reasons for its decision in the news release.

The Company has an Audit Committee, a Compensation Committee, a Corporate Governance and Nominating Committee and a Health, Safety and Environment Committee. Members of these committees are set out below.

Management of the Company proposes to nominate each of the following persons for election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows:

| ***Name, Jurisdiction of Residence and Position*** | ***Principal Occupation, Business or Employment and, if not a Previously Elected Director, Occupation, Business or Employment During the Past 5 Years*** | ***Previous Service as a Director*** | ***Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly[7]*** |
|---|---|---|---|
| **Arturo Préstamo Elizondo** [3]<br>Monterrey, Nuevo Leon, Mexico<br>Chief Executive Officer, Executive Chairman and a Director | Chief Executive Officer from May 2024 to present; Interim CEO from August 2023 to May 2024; Executive Chairman from May 2020 to present; Interim CFO of the Company from July 2020 to January 2023. President and CEO of the Company from April 2012 to May 2020. | Director since April 12, 2012 | **4,552,470** |
| **Federico Villaseñor** [1][2][4]<br>Guanajuato, Guanajuato, Mexico<br>Director | Director of Business Development for Goldcorp Mexico, a subsidiary of Goldcorp Inc. from February 2007 to February 2014. Following retirement in 2014, Federico has continued to act as a consultant for various mining companies. | Director since April 8, 2014 | **556,667** |
| **Larry Okada** [1][2][3][4][5]<br>Burnaby, British Columbia, Canada<br>Director | Business consultant. Former Chief Financial Officer of Africo Resources Ltd. from January 2010 to July 2017. | Director since April 28, 2015 | **790,250**[5] |
| **Barry Girling** [1][2][4][6]<br>Vancouver, British Columbia, Canada<br>Director | President of RJG Capital Corporation, a private company providing administrative, financial and regulatory/shareholder services to junior public companies since 1993. | Director since October 17, 2018 | **476,959**[6] |
| **Bruce Wolfson** [3]<br>Nashville, Tennessee United States of America<br>Director | Adjunct professor at Vanderbilt University. General Counsel and Chief Compliance Officer of Jaguar Growth Partners, LLC from 2015 to 2021. | Director since November 17, 2025 | **Nil** |

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Corporate Governance and Nominating Committee.

(4) Member of the Health, Safety and Environment Committee.

(5) Of these Shares, 413,583 are held indirectly in the name of Larry M Okada Inc., a private company wholly-owned by Larry Okada.

(6) Of these Shares, 70,000 are held indirectly in the name of RJG Capital Corporation, a private company wholly-owned by Barry Girling, and 2,000 are held by Justin Girling, a family member of Barry Girling.

(7) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 26, 2026, is based upon information furnished to the Company by individual directors.

**Corporate Cease Trade Orders or Bankruptcies**

Except as set forth below, no proposed director:

(a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:

(i) was subject, while the director was acting in the capacity as director, CEO or CFO of such company, to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the director was acting in the capacity as director, CEO or CFO of such company;

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director;

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The Company was subject to a management cease trade order issued by the British Columbia Securities Commission and Ontario Securities Commission on June 2, 2025 for failure to file interim financial statements and management's discussion and analysis for the period ended March 31, 2025. The cease trade

order was revoked on June 13, 2025 by the British Columbia Securities Commission and Ontario Securities Commission. Arturo Préstamo Elizondo served as Executive Chairman, Chief Executive Officer and a director of the Company, and Federico Villaseñor, Roland Löhner, Larry Okada, and Barry Girling served as directors of the Company while the cease trade order was in place.

The Company was subject to a management cease trade order issued by the British Columbia Securities Commission and Ontario Securities Commission on May 1, 2025 for failure to file annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the year ended December 31, 2024. The cease trade order was revoked on May 29, 2025 by the British Columbia Securities Commission and Ontario Securities Commission. Arturo Préstamo Elizondo served as Executive Chairman, Chief Executive Officer and a director of the Company, and Federico Villaseñor, Roland Löhner, Larry Okada, and Barry Girling served as directors of the Company while the cease trade order was in place.

The Company was subject to a cease trade order issued by the British Columbia Securities Commission and Ontario Securities Commission on May 8, 2023 for failure to file annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the year ended December 31, 2022. The cease trade order was revoked on June 9, 2023 by the British Columbia Securities Commission and Ontario Securities Commission. Arturo Préstamo Elizondo served as Executive Chairman and a director of the Company, and Federico Villaseñor, Roland Löhner, Larry Okada, and Barry Girling served as directors of the Company while the cease trade order was in place.

Mr. Barry Girling was a director of Zinc One Resources Inc. ("**Zinc One**"), a company listed on the TSX Venture Exchange (the "**TSXV**"). On September 16, 2020, while Mr. Girling was a director of Zinc One, the British Columbia Securities Commission issued a cease trade order against Zinc One for failure to file its annual audited financial statements and related management discussion and analysis for the year ended February 29, 2020. The annual filings were made and the cease trade order was revoked on December 15, 2020.

The following directors of the Company hold directorships in other reporting issuers as set out below:

| ***Name of Director*** | ***Name of Other Reporting Issuer*** |
|---|---|
| Larry M. Okada | Neo Battery Materials Ltd.[(1)] |
| Federico Villaseñor | Starcore International Mines Ltd. |
| Barry Girling | Highcliff Metals Corp.[(1)]<br>Silver One Resources Inc.[(1)] |

(1) Listed on the TSXV.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for performance philosophy. This philosophy is linked to the Company's business strategy which includes increasing stakeholder value. In addition, the compensation programs aim for simplicity and responsiveness to market changes.

The following executive compensation principles guide the Company's overall compensation:

- Compensation levels should be sufficiently competitive to facilitate recruitment and retention of experienced high-caliber executives in the competitive mining industry, while being fair and reasonable to Shareholders.

- The compensation program should align executives' long-term financial interests with those of the Shareholders by providing equity-based incentives; and

- Compensation should be transparent so that both executives and Shareholders understand the executive compensation program.

*Compensation Committee*

The Compensation Committee of the Board is responsible for ensuring that the Company has appropriate policies, plans and programs for executive compensation and for reviewing and making recommendations to the Board with respect to the compensation of the Company's executive officers. The Compensation Committee seeks to ensure that total compensation paid to all executive officers is fair and reasonable and is consistent with the Company's compensation philosophy.

The Compensation Committee is also responsible for recommending compensation for the directors and granting awards to the directors, officers, employees and consultants of the Company pursuant to the Company's existing omnibus equity incentive plan (the "**Original Plan**").

As at December 31, 2025, the Compensation Committee was comprised of Federico Villaseñor, Barry Girling and Larry Okada. Federico Villaseñor, Barry Girling and Larry Okada are all considered independent as that term is defined in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Each of these members has extensive experience in executive compensation through their current and previous roles as directors and/or officers of companies in the mining industry. The members have the following skills and experience that enabled them to make decisions on the suitability of the Company's compensation policies and practices.

- Federico Villaseñor – Mr. Villaseñor has been involved with publicly traded mining and mineral exploration companies and has gained significant experience in the management of executive compensation and human resources.

- Barry Girling - Barry Girling is currently an independent business consultant. He obtained a Bachelor of Commerce, Finance from the University of British Columbia in 1990. Mr. Girling has provided consulting services to a number of public companies for over 25 years as well as being a director or officer of many client companies. Through his work experience, Mr. Girling has interacted with senior management of multiple companies where he has gained an understanding of appropriate executive compensation in public companies.

- Larry Okada - Mr. Okada is a CA/CPA in Canada and the United States and has 33 years experience in public practice initially as a partner in his own firm and subsequently as a partner with PricewaterhouseCoopers LLP. Currently he is a director of two additional public companies and one charity. He has gained significant knowledge with respect to senior management compensation matters in public companies as a result of this broad range of experience.

The Board is satisfied that the composition of the Compensation Committee ensures an objective process for determining compensation. The Board believes that the Compensation Committee collectively has the knowledge, experience and background required to fulfill its mandate.

*Compensation Consultants*

The Compensation Committee is authorized to engage external compensation advisors to assist the Compensation Committee in performing its mandated responsibilities.

Since 2024, the Compensation Committee has retained Lane Caputo Compensation Inc. ("**Lane Caputo**") as its compensation consultant to assist the Compensation Committee in determining appropriate compensation for NEOs and appropriate fees for the Board. The Compensation Committee approves the retention and mandate of Lane Caputo and any other compensation consultants or advisors engaged to assist the Compensation Committee.

Lane Caputo's mandate includes assisting with the selection of appropriate peer companies for benchmarking, reviewing the executive compensation packages and practices of peer companies and the broader market, and providing analysis of general trends and practices in executive and director compensation. The Compensation Committee considers Lane Caputo's information and advice, together with other factors discussed in this Information Circular, and remains responsible for compensation recommendations to the Board.

The following table sets out, for each of the two most recently completed financial years, the aggregate fees billed by Lane Caputo for services relating to determining compensation for the Company's directors and executive officers:

| Activity | 2025 | 2024 |
|---|---|---|
| Executive Compensation-Related Fees | C$2,400 | C$58,000 |
| All Other Fees | Nil | Nil |
| **Total Fees** | **C$2,400** | **C$58,000** |

*Benchmarking & Compensation Peer Group*

The Compensation Committee recognizes that the Company's executive compensation program should support the attraction and retention of qualified and experienced executive officers. Accordingly, in assessing the compensation of the Company's executive officers, the Compensation Committee considers the compensation levels and practices of comparable companies, among other relevant factors.

To benchmark the competitiveness of the compensation program for the Company's executives for the year ended December 31, 2025, the Compensation Committee, in consultation with Lane Caputo, developed a peer group of companies against which it completed its analysis. In selecting this peer group, the Compensation Committee and Lane Caputo considered the industry, stage of development, size (based on market capitalization, enterprise value, production volumes and annual revenue), geographical similarity of operations, the country of head operations and stock exchange listings. An emphasis was placed on companies having operations in the southern hemisphere. The Compensation Committee approved Torex Gold Resources Inc., Fortuna Mining Corp., Endeavour Silver Corp. and K92 Mining Inc. as the Company's compensation peer group (the "**Compensation Peer Group**").

The Compensation Committee believes that the Compensation Peer Group provides a reasonable market reference for assessing the competitiveness of the Company's executive compensation, including because the Company competes with these companies for executive talent. The Compensation Peer Group is revisited from time to time by both Lane Caputo and the Compensation Committee to ensure continued comparability to the Company.

*Elements of Executive Compensation*

Compensation is comprised of a negotiated salary, with bonuses and awards potentially being paid and issued as incentive for performance.

*Salary*

The Company's view is that a competitive salary is a necessary element for attracting and retaining qualified executive officers. The Company also believes that attractive salaries can motivate and reward executives for their overall performance. The amount payable to a named executive officer may be based on several factors, including experience, past performance, anticipated future contributions and comparisons to salaries offered by other comparable companies. The Company reviews salaries at least once per year to ensure they remain at appropriate levels.

Amounts paid to an executive officer as base salary, including merit salary increases, are determined by reference to the individual's performance and salaries prevailing in the marketplace for comparable positions. The base salary of each executive officer is reviewed as required. Salary adjustments take into consideration the general level of salaries in the marketplace for comparable positions, the performance of the executive and the Company's performance.

*Other Benefits*

NEOs (as defined below) are eligible to participate in employee benefit programs and plans that are generally available to all full-time employees (subject to fulfilling certain eligibility requirements). These include extended health and dental plans. In designing these benefits, the Company seeks to provide an overall level and mix of benefits that is competitive to those offered by other comparable companies.

Certain perquisites are also made available to NEOs. These may include payment of professional dues and further health benefits. The Company considers these other benefits a necessary element of a competitive executive compensation package in the industry as these types of perquisites are common among executives in the Company's industry.

*Security based Awards*

The Compensation Committee recognizes that the Company operates in a competitive environment and that its performance depends on the quality of its employees. The Original Plan has been used to provide awards which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of awards to be granted to the executive officers, the Compensation Committee takes into account the number of awards, if any, previously granted to each executive officer, and the exercise price of any outstanding awards, if applicable, to ensure that such grants are in accordance with the policies of the TSX, and closely align the interests of the executive officers with the interests of Shareholders.

*Risk Considerations*

The Compensation Committee considers the implications of the risk associated with the Company's compensation policies and practices when determining rewards for its officers and directors. The Compensation Committee reviews at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of both short-term compensation in the form of a base salary and an incentive cash bonus plan, and long-term ownership through the grant of awards. This structure ensures that a significant portion of executive compensation (awards) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value.

The Compensation Committee also has the ability to set out vesting periods in each award agreement. As the benefits of such compensation, if any, are not realized by officers and directors until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the Shareholders is extremely limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the Shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the size of the Company and its current management group, the Compensation Committee is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed.

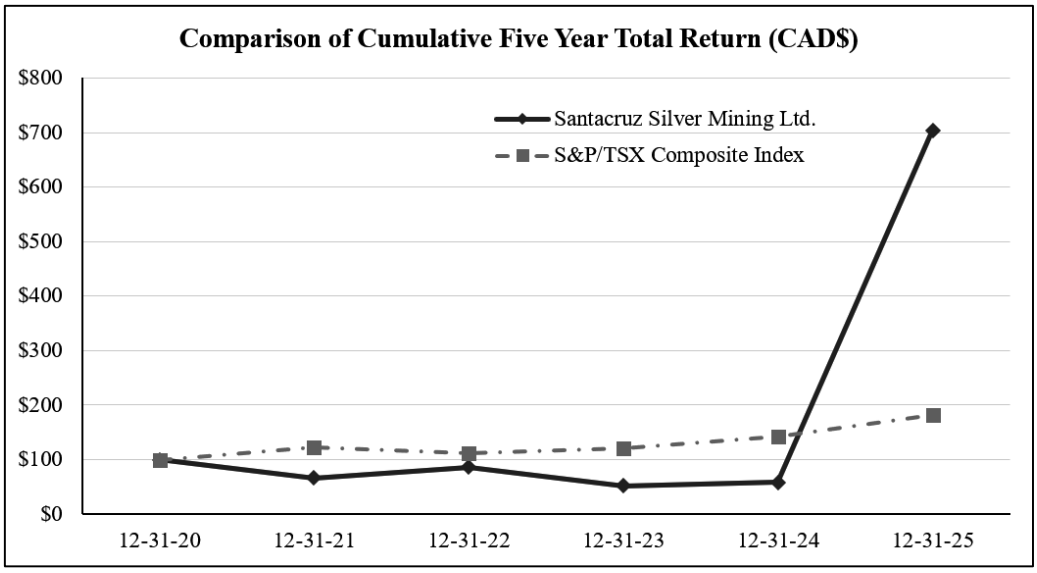
No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

*Hedging of Economic Risks in the Company's Securities*

Under the Company's compensation policies, directors and officers may not take any derivative or speculative positions in the Company's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Company's securities.

**Performance Graph**

The following graph and table compare the cumulative total shareholder return on a CAD$100 investment in the Shares made on December 31, 2020 with the cumulative total return on a similar investment in the S&P/TSX Composite Index made on the same date, in each case through December 31, 2025 and assuming the reinvestment of all dividends. The Company did not pay any dividends during this period. Share prices have been adjusted to reflect the consolidation of the Shares completed on December 10, 2025 on the basis of four (4) pre-consolidated Shares for every one (1) post-consolidated Share (the "**Consolidation**").




| | December 31, 2020 | December 31, 2021 | December 31, 2022 | December 31, 2023 | December 31, 2024 | December 31, 2025 |
|---|---|---|---|---|---|---|
| **Santacruz Silver Mining Ltd. (CAD$)** | 100.00 | 65.96 | 86.17 | 52.13 | 58.51 | 703.72 |
| **S&P/TSX Composite Index (CAD$)** | 100.00 | 121.74 | 111.19 | 120.22 | 141.84 | 181.91 |

The trend shown in the performance graph above compares with the trend in the Company's executive compensation over the same period as follows:

As described above, the Compensation Committee considered various factors in determining the compensation of the NEOs. The Share performance is one performance measure that is reviewed, and in some cases, such as the vesting of PSUs, there is a direct correlation between Share performance and executive compensation.

The Company operates in a commodity business and the Share price is directly impacted by the market price of metals, which may fluctuate widely and are affected by numerous factors that are difficult to predict and beyond the Company's control. The Share price is also affected by other factors beyond the Company's control, including general and industry-specific economic and market conditions. The Compensation Committee evaluated performance by reference to its business plan rather than by short-term changes in Share price based on its view that its long-term operating performance will be reflected by Share price performance over the long term, which is especially important when current Share price may not represent the intrinsic value because of short-term factors such as recessionary economies. The overall trend shown by the performance graph represents the cumulative total Shareholder return decreasing gradually till 2025 and then increasing significantly in 2025. Over the same five-year period, the total compensation received by the NEOs, in aggregate, has remained stable. The Compensation Committee considers total compensation to be modest and reasonable in the circumstances.

**Summary Compensation Table**

The following information is provided pursuant to Form 51-102F6 – *Statement of Executive Compensation*.

When used in this Information Circular, a "Named Executive Officer" or "NEO" means each of the following individuals:

(a) the CEO;

(b) the CFO;

(c) each of the three most highly compensated executive officers of the Company, or the three most highly compensated individuals acting in a similar capacity, other than the individuals identified in paragraphs (a) and (b) above, at December 31, 2025, whose total compensation was more than C$150,000 for that financial year; and

(d) each individual who would be a named executive officer under paragraph (c) above, but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at December 31, 2025,

(collectively, the "**Named Executive Officers**" or "**NEOs**").

For the financial year ending December 31, 2025, the Company had the following Named Executive Officers: Arturo Préstamo Elizondo, Executive Chairman and CEO; Andres Bedregal, CFO; and Eduardo Torrecillas, COO.

This Information Circular contains references to United States dollars and Canadian dollars. References in this Information Circular to "$" are to United States dollars and references to "C$" or "CAD$" are to Canadian dollars.

The following table sets forth information regarding compensation paid to the Named Executive Officers for the Company's three most recently completed financial years.

| Name and Principal Position | Year | Salary ($) | Share-based Awards ($)[1] | Option-based Awards ($)[2] | Non-Equity Incentive Plan Compensation ($) | | Pension Value ($) | All other Compensation ($) | Total Compensation ($) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Annual Incentive Plans | Long-Term Incentive Plans | | | |
| **Arturo Préstamo Elizondo** *CEO, Executive Chairman and Director* [3] | 2025 | 613,773 | 725,806 | Nil | Nil | Nil | Nil | 4,000 | 1,343,579 |
| | 2024 | 369,720 | 505,561 | Nil | 200,000 | Nil | Nil | 3,991[4] | 1,079,272 |
| | 2023 | 347,691 | Nil | Nil | Nil | Nil | Nil | 29,048[4] | 376,739 |

| Name and Principal Position | Year | Salary ($) | Share-based Awards ($)[1] | Option-based Awards ($)[2] | Non-Equity Incentive Plan Compensation ($) | | Pension Value ($) | All other Compensation ($) | Total Compensation ($) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Annual Incentive Plans | Long-Term Incentive Plans | | | |
| **Andres Bedregal** *CFO, Interim CFO and VP Finance Bolivia[5]* | 2025 | 454,409 | Nil | 49,503 | 478,960 | Nil | Nil | 14,816 | 997,688 |
| | 2024 | 358,033 | Nil | Nil | 317,856 | Nil | Nil | 12,848[6] | 688,737 |
| | 2023 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| **Eduardo Torrecillas** *COO and Executive President Bolivia[7][8]* | 2025 | 520,515 | Nil | 49,503 | 579,515 | Nil | Nil | 10,369 | 1,159,902 |
| | 2024 | 462,965 | Nil | Nil | 440,035 | Nil | Nil | 10,349[6] | 913,349 |
| | 2023 | 348,140 | Nil | Nil | 339,992 | Nil | Nil | 8,967 | 697,099 |

(1) Represents the grant date fair value of RSUs and PSUs, calculated by multiplying the number of units granted by the closing price of the Shares on the date of grant.

(2) Represents the grant date fair value of options, determined using the Black-Scholes option pricing model with the following assumptions:

| | 2026 | 2025 | 2024 |
|---|---|---|---|
| **Risk-free rate (%)** | 2.62% | 2.83% | 3.02% |
| **Expected life (years)** | 5 years | 5 years | 5 years |
| **Expected volatility (%)** | 91.86% | 89.86% | 87.08% |
| **Dividend yield (%)** | 0% | 0% | 0% |

(3) Mr. Arturo Préstamo Elizondo was appointed as Executive Chairman on May 11, 2020. Mr. Préstamo Elizondo was appointed as Interim CFO between July 15, 2020 and January 9, 2023. Mr. Préstamo Elizondo acted as Interim CEO between August 10, 2023 and September 16, 2024 and then was appointed as CEO effective September 16, 2024. Mr. Préstamo Elizondo also serves as a director of the Company. Mr. Préstamo Elizondo received nil compensation in 2023, 2024 and 2025 for his services as a director of the Company.

(4) Represents the value of perquisites paid to Mr. Arturo Préstamo Elizondo consisting of vehicle related expenses.

(5) Mr. Bedregal was appointed Vice President of Finance – Bolivia June 1, 2022. He was appointed as Interim CFO effective October 15, 2024 and was appointed CFO effective June 16, 2025. The amounts included in the table show the annual compensation earned as Interim CFO and CFO.

(6) Represents the value of the perquisites paid to Mr. Bedregal and Mr. Torrecillas consisting of personal insurance policies provided by the Company.

(7) Mr. Torrecillas was appointed as Executive President - Bolivia on June 1, 2022 and was appointed as Chief Operating Officer effective March 3, 2025.

(8) Compensation was paid to this individual in Bolivian Bolivianos, the amount included in this table has been converted into United States dollars based upon the official exchange rate of 6.96 BOL/$USD for 2023, 2024 and 2025.

## Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information regarding the outstanding share-based awards and option-based awards granted to the Named Executive Officers as at December 31, 2025.

| | Option-Based Awards | | | | Share-Based Awards | | |
|---|---|---|---|---|---|---|---|
| **Name** | **Number of Securities Underlying Unexercised Options (#)** | **Option Exercise Price ($)** | **Option Expiration Date** | **Value of Unexercised In-The-Money Options ($)[1]** | **Number of Shares or Units of Shares that have not Vested (#)** | **Market or Payout Value of Share-Based Awards that have not Vested ($)[2]** | **Market or Payout Value of Vested Share-Based Awards not paid out or distributed ($)** |
| **Arturo Préstamo Elizondo** | Nil | Nil | Nil | Nil | 316,666 | 3,056,653 | Nil |
| **Andres Bedregal[3]** | 16,666 | 4.40 | June 26, 2030 | 87,540 | Nil | Nil | Nil |
| **Eduardo Torrecillas[4]** | 16,666 | 4.40 | June 26, 2030 | 87,540 | Nil | Nil | Nil |

(1) Calculated based on the difference between the closing price of the Shares on December 31, 2025 of CAD$13.23, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296, and the exercise price of the options.

(2) Calculated by multiplying the number of unvested RSUs and PSUs by the closing price of the Shares on December 31, 2025 of CAD$13.23, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296.

(3) As at December 31, 2025, Mr. Andres Bedregal held 25,000 options of which 8,334 are vested and 8,333 will vest on June 26, 2026 and 8,333 will vest on June 26, 2027.

(4) As at December 31, 2025, Mr. Eduardo Torrecillas held 25,000 options of which 8,334 are vested and 8,333 will vest on June 26, 2026 and 8,333 will vest on June 26, 2027.

### Incentive Plan Awards – Value Vested or Earned during the Year

The following table sets forth information regarding the value vested or earned of option-based awards, share-based awards and non-equity incentive plan compensation paid to the Named Executive Officers during the most recently completed financial year ended December 31, 2025.

| **Name** | **Option-Based Awards – Value Vested during the Year ($)[1]** | **Share-Based Awards – Value Vested during the Year ($)[2]** | **Non-Equity Incentive Plan Compensation – Value Earned during the Year ($)** |
|---|---|---|---|
| **Arturo Préstamo Elizondo** | Nil | 2,855,570 | 617,773 |
| **Andres Bedregal** | 43,775 | Nil | 469,225 |
| **Eduardo Torrecillas** | 43,775 | Nil | 530,884 |

(1) Represents the aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.

(2) Represents the aggregate dollar realized upon vesting of share-based awards, calculated by multiplying the number of shares or units by the market price of the Shares on the vesting date.

For more information on the Original Plan, see "*Particulars of Other Matters to be Acted Upon – Approval of Amended and Restated Omnibus Incentive Plan*".

**Pension Plan Benefits**

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers or directors at, following, or in connection with retirement.

**Termination and Change of Control Benefits**

The Company is not party to any contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the Named Executive Officer's responsibilities.

**Director Compensation**

Effective July 1, 2024, compensation for directors has been established as follows:

(a) an annual cash fee of C$75,000, paid in quarterly installments, to each director of the Company;

(b) an additional cash fee of C$9,000, paid in quarterly installments, for the Chair of the Audit Committee; and

(c) an additional cash fee of C$7,500, paid in quarterly installments, for the Chair of the Compensation Committee.

The following table sets forth information regarding compensation provided to the directors of the Company, other than Named Executive Officers, during the most recently completed financial year ended December 31, 2025.

| Name | Fees Earned ($) | Share-Based Awards ($)[1] | Option-Based Awards ($)[2] | Non-Equity Incentive Plan Compensation ($) | Pension Value ($) | All Other Compensation ($) | Total ($) |
|---|---|---|---|---|---|---|---|
| Federico Villaseñor | 54,720 | 80,256 | 180,586 | Nil | Nil | Nil | 315,562 |
| Larry Okada | 61,286 | 80,256 | 180,586 | Nil | Nil | Nil | 322,128 |
| Barry Girling | 60,192 | 80,256 | 180,586 | Nil | Nil | Nil | 321,034 |
| Bruce Wolfson[3] | 9,120 | Nil | Nil | Nil | Nil | Nil | 9,120 |
| Roland Löhner[4] | 54,720 | 80,256 | 180,586 | Nil | Nil | Nil | 315,562 |

(1) Represents the grant date fair value of RSUs and PSUs, calculated by multiplying the number of units granted by the closing price of the Shares on the date of grant, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296.

(2) Represents the grant date fair value of options, determined by using the Black-Scholes option pricing model with the following assumptions: Risk free rate 2.62%, Expected Life 5 years, Expected Volatility 91.86%, Dividend Yield 0%, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296.

(3) Mr. Wolfson was appointed a director effective November 17, 2025.

(4) Mr. Löhner ceased to be a director on November 25, 2025.

The following table sets forth information regarding the outstanding share-based awards and option-based awards granted to the directors of the Company, other than Named Executive Officers, as at December 31, 2025.

| | Option-Based Awards | | | | Share-Based Awards | | |
|---|---|---|---|---|---|---|---|
| **Name** | **Number of Securities Underlying Unexercised Options (#)** | **Option Exercise Price ($)** | **Option Expiration Date** | **Value of Unexercised In-The-Money Options ($)[1]** | **Number of Shares or Units of Shares that have not Vested (#)** | **Market or Payout Value of Share-Based Awards that have not Vested[2]** | **Market or Payout Value of Vested Share-Based Awards not paid out or distributed** |
| Federico Villaseñor[3] | 250,000 | 1.37 | May 7, 2026 | 2,070,240 | 58,855 | 568,104 | Nil |
| | 84,375 | 1.17 | August 1, 2029 | 1,017,785 | -- | -- | -- |
| | 125,000 | 3.21 | June 26, 2030 | 1,252,470 | -- | -- | -- |
| Larry Okada[4] | 84,375 | 1.17 | August 1, 2029 | 814,439 | 58,855 | 568,104 | Nil |
| | 125,000 | 3.21 | June 26, 2030 | 1,206,576 | -- | -- | -- |
| Barry Girling[5] | 56,250 | 1.17 | August 1, 2029 | 678,524 | 58,855 | 568,104 | Nil |
| | 103,125 | 3.21 | June 26, 2030 | 1,252,470 | -- | -- | -- |
| Bruce Wolfson[6] | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Roland Löhner[7] | 56,250 | 1.17 | August 1, 2029 | 678,524 | 58,855 | 568,104 | Nil |
| | 83,333 | 3.21 | June 26, 2030 | 834,977 | -- | -- | -- |

(1) Calculated based on the difference between the closing price of the Shares on December 31, 2025 of CAD$13.23, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296, and the exercise price of the options.

(2) Calculated by multiplying the number of unvested RSUs and PSUs by the closing price of the Shares on December 31, 2025 of CAD$13.23, converted into United States dollars at the Bank of Canada daily exchange rate on December 31, 2025 of CAD$1.00 = US$0.7296.

(3) As at December 31, 2025, Mr. Federico Villaseñor held 459,375 options to purchase 459,375 common shares, of which 319,792 are fully vested. He also held 42,188 DSUs and 16,667 RSUs.

(4) As at December 31, 2025, Mr. Larry Okada held 209,375 options to purchase 209,375 common shares, of which 69,792 are fully vested. He also held 42,188 DSUs and 16,667 RSUs.

(5) As at December 31, 2025, Mr. Barry Girling held 459,375 options to purchase 459,375 common shares, of which 319,792 are fully vested. He also held 42,188 DSUs and 16,667 RSUs.

(6) Mr. Wolfson was appointed a director effective November 17, 2025.

(7) As at December 31, 2025, Mr. Roland Löhner held 139,583 Options to purchase 139,583 common shares, of which Nil are fully vested. He also held 42,188 DSUs and 16,667 RSUs. On November 25, 2025, Mr. Löhner resigned as a director. On November 25, 2025 Mr. Löhner entered into a strategic advising consulting agreement with the Company pursuant to which the Options and DSUs held by Mr. Löhner would continue to vest in accordance with their terms.

The following table sets forth information regarding the value vested or earned of option-based awards, share-based awards and non-equity incentive plan compensation paid to the directors of the Company, other than Named Executive Officers, during the most recently completed financial year ended December 31, 2025.

| Name | Option-Based Awards – Value Vested during the Year ($)[1] | Share-Based Awards – Value Vested during the Year ($)[2] | Non-Equity Incentive Plan Compensation – Value Earned during the Year ($) |
|---|---|---|---|
| Federico Villaseñor | 507,082 | 80,435 | 54,720 |
| Larry Okada | 507,082 | 80,435 | 61,286 |
| Barry Girling | 507,082 | 80,435 | 60,192 |
| Bruce Wolfson[3] | Nil | Nil | 9,120 |
| Roland Löhner[4] | 507,082 | 80,435 | 54,720 |

(1) Represents the aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.
(2) Represents the aggregate dollar realized upon vesting of share-based awards, calculated by multiplying the number of shares or units by the market price of the Shares on the vesting date.
(3) Mr. Wolfson was appointed a director effective November 17, 2025.
(4) Mr. Löhner ceased to be a director on November 25, 2025.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at December 31, 2025:

| *Plan Category* | *Number of securities to be issued upon exercise of outstanding RSUs, PSUs, DSUs and options* *(a)* | *Weighted-average exercise price of outstanding options, warrants and rights* *(b)* | *Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))* *(c)* |
|---|---|---|---|
| Equity compensation plans approved by securityholders | 2,347,706 | $2.11 | 6,848,507 |
| Equity compensation plans not approved by securityholders | N/A | N/A | N/A |
| Total | 2,347,706 | $2.11 | 6,848,507 |

(1) Represents the number of Shares remaining available for future issuance under the Original Plan as of December 31, 2025. Under the Original Plan, the maximum number of Shares issuable pursuant to options is 10% of the issued and outstanding Shares at the time of grant, and the maximum number of Shares issuable pursuant to all other awards is a fixed maximum of 8,774,778 Shares on a post-Consolidation basis.

### Burn Rate Disclosure

In accordance with the policies of the TSX, the following table sets out the annual burn rate, calculated in accordance with section 613(p) of the TSX Company Manual, for Awards granted under the Original Plan during the Company's three most recently completed financial years. The burn rate is calculated by

dividing the number of Awards granted during the applicable financial year by the weighted average number of Shares outstanding for the applicable financial year.

| Fiscal Year Ended | RSUs Granted | PSUs Granted | DSUs Granted | Options Granted | Burn Rate (%) |
|---|---|---|---|---|---|
| December 31, 2025 | 238,750 | 125,000 | Nil | 862,500 | 1.36 |
| December 31, 2024 | 206,250 | 312,500 | 168,750 | 625,000 | 1.47 |
| December 31, 2023 | Nil | Nil | Nil | 250,000 | 0.28 |

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise**.**

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

(i) is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or

(ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

in relation to a securities purchase program or other program.

## MANAGEMENT CONTRACTS

No management functions of the Company or its subsidiaries are performed or, since the start of the company's most recently completed financial year, have been performed to any substantial degree by a person other than the directors or executive officers of the Company or its subsidiaries.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the appointment of auditors and the approval of the Omnibus Incentive Plan Resolution, under which directors and executive officers are eligible to receive Awards (see "*Particulars of Other Matters to be Acted Upon – Approval of Amended and Restated Omnibus Incentive Plan*").

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as set out herein, no informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or its subsidiaries.

## APPOINTMENT OF AUDITORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to re-appoint Davidson & Company LLP as auditors of the Company and to authorize the directors of the Company to fix the remuneration to be paid to the auditors. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Davidson & Company LLP was first appointed auditors of the Company on September 1, 2025.

**Management of the Company recommends that Shareholders vote for the re-appointment of Davidson & Company LLP, as the Company's auditors and to authorize the directors of the Company to fix the remuneration to be paid to the auditors.**

## AUDIT COMMITTEE

### The Audit Committee's Charter

The full text of the Audit Committee Charter is disclosed in Schedule "C" – Audit Committee Charter.

### Composition of the Audit Committee

The following are the members of the Committee:

| | | |
|---|---|---|
| Larry Okada (1) | Independent (2) | Financially literate (2) |
| Federico Villaseñor | Independent (2) | Financially literate (2) |
| Barry Girling | Independent (2) | Financially literate (2) |

(1) Chair of the Audit Committee.
(2) As defined by NI 52-110.

### Relevant Education and Experience

Larry Okada is the Chair of the Audit Committee. Mr. Okada is financially literate and familiar with public company financial statements and the accounting principles used in reading and preparing financial statements. He graduated from the University of British Columbia with a BA after which he articled to become a CPA, CA in Canada followed by a CPA in the United States.

Barry Girling is currently an independent business consultant. He obtained a Bachelor of Commerce, Finance from the University of British Columbia in 1990. Mr. Girling has provided consulting services to a number of public companies for over 25 years as well as being a director or officer of many client companies. Through his education and work experience, Mr. Girling has an understanding of public company financial statements and related disclosure.

Federico Villaseñor holds a B.Sc in Mining and Metallurgy from the University of Guanajuato, a M.S. of Mineral Economics from Columbia University and a Finance Degree from The Instituto Tecnológico

Autónomo de Mexico. His career has spanned 40 years in the mining industry and he is financially literate and familiar with public company financial statements and the accounting principles used in reading and preparing financial statements.

**Audit Committee Oversight**

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

**Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 *(De Minimis Non-audit Services)*, an exemption in subsections 6.1.1(4), (5) or (6) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter under the heading "Duties and Responsibilities".

**External Auditors Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors during the last two fiscal years for audit fees are as follows:

| *Financial Year Ending* | *Audit Fees*[1] | *Audit Related Fees*[2] | *Tax Fees*[3] | *All Other Fees*[4] |
|---|---|---|---|---|
| December 31, 2025 | C$1,073,155 | C$15,545 | Nil | Nil |
| December 31, 2024 | C$1,544,736 | C$19,390 | Nil | Nil |

(1) Includes the aggregate fees billed by the issuer's external auditor in each of the last two fiscal years for audit fees.

(2) Includes the aggregate fees billed in each of the last two fiscal years for assurance and related services by the issuer's external auditor that are reasonably related to the performance of the audit or review of the issuer's financial statements and are not reported under "Audit Fees".

(3) Includes the aggregate fees billed in each of the last two fiscal years for professional services rendered by the issuer's external auditor for tax compliance, tax advice, and tax planning.

(4) Includes the aggregate fees billed in each of the last two fiscal years for products and services provided by the issuer's external auditor, other than the services reported under "Audit Fees", "Audit Related Fees" and "Tax Fees".

## CORPORATE GOVERNANCE DISCLOSURE

National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies, and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers, such as the Company, to disclose their corporate governance practices in accordance with Form 58-101F1 – *Corporate Governance Disclosure* ("**Form 58-101F1**"). The Board has reviewed the Company's corporate governance practices in light of NP 58-201 and the following disclosure is provided in accordance with Form 58-101F1.

**Board of Directors**

*Independence*

The Company's Board consists of five (5) directors, four of whom are independent based upon the tests for independence set forth in NI 52-110. Federico Villaseñor, Larry Okada, Barry Girling and Bruce Wolfson are independent. Arturo Préstamo Elizondo is not independent as he is the CEO and Executive Chairman of the Company. Accordingly, a majority of the directors are independent.

*Management Supervision by Board*

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management. The independent directors are also able to meet at any time without any members of management, including the non-independent directors, being present. Further supervision is performed through the Audit Committee (which is composed entirely of independent directors) who meet with the Company's auditors without management being in attendance.

*Participation of Directors in Other Reporting Issuers*

The participation of the directors in other reporting issuers is described in the table provided under "*Election of Directors*" in this Information Circular.

*Meetings of Independent Directors*

The independent directors hold in camera sessions, without the non-independent director and members of management present, at the end of each regularly scheduled meeting of the Board. During the financial year ended December 31, 2025, the independent directors held four in camera sessions. The Audit Committee, which is composed entirely of independent directors, also meets with the Company's external auditor without management present on an annual basis. The independent directors are able to meet at any time without management or the non-independent director present, and the Board considers that management is effectively supervised by the independent directors, who are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management.

*Chair of the Board*

Arturo Préstamo Elizondo is the Executive Chairman and CEO of the Company and is not independent. As a result, the Board has appointed Barry Girling or Larry Okada as the Lead Directors with one of them acting as presiding independent director on a case-by-case basis depending on the subject matter. The Lead Director is responsible for ensuring that the Board functions independently of management, chairing the in camera sessions of the independent directors, serving as a liaison between the independent directors and the Executive Chairman, and providing leadership to the independent directors in the discharge of their responsibilities.

*Attendance Record*

The following table sets out the attendance of each director at meetings of the Board and of the committees on which the director served during the financial year ended December 31, 2025.

| Name | Board Meetings | Audit Committee Meetings | Compensation Committee Meetings | Corporate Governance and Nominating Committee | Health, Safety and Environment Committee |
|---|---|---|---|---|---|
| Arturo Préstamo Elizondo | 5 of 5 | N/A | N/A | N/A | N/A |
| Federico Villaseñor | 4 of 5 | 4 of 4 | N/A | N/A | N/A |
| Larry Okada | 5 of 5 | 4 of 4 | N/A | N/A | N/A |
| Barry Girling | 5 of 5 | 4 of 4 | N/A | N/A | N/A |
| Bruce Wolfson[(1)] | 1 of 1 | N/A | N/A | N/A | N/A |
| Roland Löhner[(2)] | 4 of 4 | N/A | N/A | N/A | N/A |

(1) Mr. Wolfson was appointed a director effective November 17, 2025. Attendance is shown for meetings held after that date.
(2) Mr. Löhner ceased to be a director on November 25, 2025. Attendance is shown for meetings held before that date.

**Board Mandate**

The Board has adopted a Board Charter, the full text of which is attached as Schedule "A" to this Information Circular. A copy of the Board Charter is also available on the Company's website at www.santacruzsilver.com.

**Position Descriptions**

The Board has not adopted written position descriptions for the Chair of the Board, the chairs of the Board committees or the CEO. The Board considers that the role of the Executive Chairman is to provide leadership to the Board, to set the agenda for and preside at Board meetings and to ensure that the Board discharges its responsibilities, and that the role of each committee chair is defined by the written charter of the applicable committee. The role and responsibilities of the CEO are determined by the Board, which annually establishes the corporate objectives against which the CEO's performance is assessed. The Board considers that these arrangements are adequate given the size of the Company and its Board.

**Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

(1) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;

(2) access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;

(3) access to management, technical experts and consultants; and

(4) a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

**Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to Shareholders. The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") that applies to the directors, officers, employees and consultants of the Company and addresses, among other things, conflicts of interest, protection and proper use of the Company's assets and resources, confidentiality, fair dealing, compliance with laws and the reporting of unethical behaviour. The Code is available on the Company's website at www.santacruzsilver.com and the Company has instructed its management and employees to abide by the Code.

The Board, through the Corporate Governance and Nominating Committee, monitors compliance with the Code. The Company has also adopted a whistleblower policy under which directors, officers and employees of the Company may report, on a confidential and anonymous basis, concerns in respect of the accuracy and integrity of the Company's accounting, auditing and financial reporting, as well as other matters, and the Audit Committee has established procedures for the receipt and treatment of such reports.

The Board has found that the Code, the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and, in particular, the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, together with the Related Party Transaction Policy described below, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Effective September 9, 2026, the Board adopted a related party transaction policy (the "**Related Party Transaction Policy**") governing the identification, review, approval and disclosure of related party transactions within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. Under the Related Party Transaction Policy, directors, nominees for director and executive officers must promptly report any proposed related party transaction to the CEO (or, where the CEO is interested, the CFO), and each related party transaction, other than certain pre-approved categories such as Board-approved compensation arrangements and ordinary course expense reimbursements, must be reviewed and approved or ratified by the Board, or reviewed and recommended to the Board by a committee of independent directors, with any interested director abstaining. In assessing a transaction, the Board or committee considers, among other things, its business purpose, the commercial reasonableness and fairness of its terms to the Company, its materiality and any actual or apparent conflict of interest. A copy of the Related Party Transaction Policy is available on the Company's website at www.santacruzsilver.com.

**Nomination of Directors**

The Corporate Governance and Nominating Committee (the "**Nominating Committee**") has responsibility for identifying potential Board candidates. The members of the Nominating Committee are Larry Okada, Arturo Préstamo Elizondo and Bruce Wolfson. Larry Okada and Bruce Wolfson are independent directors of the Company; Arturo Prestamo Elizondo is not an independent director as he is the CEO and Executive Chairman of the Company. The Board considers that the participation of the Executive Chairman on the committee is appropriate given his knowledge of the Company's business and of the skills required on the Board, and that the independent majority on the committee ensures an objective nomination process.

The Nominating Committee assesses potential Board candidates to fill perceived needs on the Board for required skill, expertise, independence and other factors. Members of the Board and representatives are consulted for possible candidates. The Board has adopted a written charter that sets forth the responsibilities of the Nominating Committee and gives the Nominating Committee the authority to engage outside experts to assist in identifying potential candidates if considered advisable. A copy of the Nominating Committee's charter is posted on the Company's website at www.santacruzsilver.com.

**Compensation of Directors and the CEO**

The members of the Compensation Committee are Federico Villaseñor, Barry Girling and Larry Okada. Federico Villaseñor, Barry Girling and Larry Okada are all considered independent. The Compensation Committee has responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the Compensation Committee reviews compensation paid for directors and CEOs of companies of similar size and stage of development in the mineral exploration and mining industries and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting compensation the Compensation Committee annually reviews the performance of the Company's CEO and other executive officers in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives. The Board has adopted a written charter that sets forth the responsibilities of the Compensation Committee and gives the Compensation Committee the authority to engage outside experts to assist in determining compensation if considered advisable. A copy of the Compensation Committee's charter is posted on the Company's website at www.santacruzsilver.com. For further information regarding how the Company determines compensation for its directors and executive officers, see "*Executive Compensation – Compensation Discussion and Analysis*".

**Board Committees**

In addition to the Audit, Compensation and Nominating Committee, the Company has a Health, Safety and Environment Committee. The members of the Health, Safety and Environment Committee are Federico Villaseñor, Barry Girling and Larry Okada.

The Board had adopted a written mandate that sets forth the responsibilities of the Health, Safety and Environment Committee, which includes overseeing the development and implementation of policies and procedures for ensuring a safe, healthy work environment and sustainable development. The mandate of the Health, Safety and Environment Committee is posted on the Company's website at www.santacruzsilver.com.

**Assessments**

Each year, the Board conducts annual self-assessments to determine whether it, the directors, and the committees are performing effectively. The Corporate Governance and Nominating Committee is responsible for seeking comments from all directors and reporting to the Board the collective assessment of the Board's performance as well as the performance of the committees and individual directors. Assessments of the Board and its committees consider the mandate and committee charter, as the case may be. Assessments of individual directors consider the position description and skills and competencies applicable to that individual. The Board discusses the assessment reports to determine what, if any, action should be taken to improve performance.

**Director Term Limits and Other Mechanisms of Board Renewal**

The Board has not adopted term limits for directors or other formal mechanisms of Board renewal. The Board believes that term limits could result in the loss of directors who have developed, over a period of service, valuable insight into the Company's business and operations in the countries in which it operates, and that the annual assessment process and the work of the Corporate Governance and Nominating Committee in identifying the skills required on the Board provide an appropriate mechanism for Board renewal.

**Policies Regarding the Representation of Women on the Board**

The Board has not adopted a written policy relating to the identification and nomination of women directors. The Board believes that the selection of director nominees should be based on merit, having regard to the skills, experience and independence required by the Board, and that a written policy specific to the representation of women is not necessary for the Board to consider diversity in its nomination process. The Corporate Governance and Nominating Committee considers diversity, including gender, as one of the factors in identifying and evaluating candidates for the Board.

**Consideration of the Representation of Women in the Director Identification and Selection Process**

In identifying and selecting candidates for election or appointment to the Board, the Corporate Governance and Nominating Committee considers the level of representation of women on the Board as one of a number of factors, together with the skills, experience, independence and other attributes required by the Board. The Board has not adopted a target for the representation of women on the Board for the reasons described below.

**Consideration Given to the Representation of Women in Executive Officer Appointments**

In making executive officer appointments, the Board and the CEO consider the level of representation of women in executive officer positions as one of a number of factors, together with the skills, experience and qualifications required for the position. Executive officer appointments are made on the basis of merit.

**Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions**

The Company has not adopted targets regarding the representation of women on the Board or in executive officer positions. The Board believes that director nominees and executive officers should be selected on the basis of merit and that targets could restrict the Board's ability to select the most qualified candidates, particularly given the size of the Board and the Company's management group and the specialized operating expertise required for the Company's operations. The Board will continue to consider whether the adoption of targets would be appropriate.

**Number of Women on the Board and in Executive Officer Positions**

As at the date of this Information Circular, none of the five directors of the Company, and none of the executive officers of the Company and its major subsidiaries, are women.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### Approval of Amended and Restated Omnibus Incentive Plan

The Board approved the amendment and restatement to the Original Plan (the "**Omnibus Incentive Plan**") on October 26, 2026. As part of the Company's uplisting from the TSXV to the TSX, the Company is proposing to amend and restate its Original Plan to ensure compliance with the requirements of the TSX. The Omnibus Incentive Plan aligns the Original Plan with the listing requirements and governance standards of the TSX and reflects the Company's commitment to maintaining transparent and compliant equity compensation practices as a TSX-listed issuer. Pursuant to the policies of the TSX, the Omnibus Incentive Plan must be approved by Shareholders in order to become effective. Pursuant to the requirements of the TSX applicable to evergreen plans, shareholder approval of unallocated Awards (as defined below) available under the Omnibus Incentive Plan must be obtained every three years. If approved at the Meeting, the Company will be entitled to grant Awards under the Omnibus Incentive Plan until November 30, 2029 before further Shareholder approval of unallocated Awards is required.

Subject to the terms and conditions of the Omnibus Incentive Plan, the Board may grant Awards to any director, officer, employee or service provider of the Company or its subsidiaries (collectively, "**Participants**"). Each Award granted under the Omnibus Incentive Plan is personal to the Participant and is not assignable or transferable, except to the extent expressly permitted under the Omnibus Incentive Plan.

The principal changes reflected in the Omnibus Incentive Plan include:

- the adoption of a TSX-compliant fair market pricing methodology using a five-day volume weighted average trading price;

- the replacement of the Original Plan's 10% rolling reserve for Options and fixed-share reserve for unit awards with a single rolling reserve applicable to all Awards, such that the aggregate number of Shares issuable pursuant to Awards under the Omnibus Incentive Plan may not exceed ten percent (10%) of the issued and outstanding Shares of the Company at the time of grant, less any Shares reserved under any other security based compensation arrangement (as such term is defined in Section 613(b) of the TSX Company Manual);

- the restatement of the insider participation limits in the form contemplated by the TSX Company Manual, under which the maximum number of Shares (i) issuable to insiders at any time, and (ii) issued to insiders within any one (1) year period, under the Omnibus Incentive Plan and all other share compensation arrangements may not exceed ten percent (10%) of the issued and outstanding Shares;

- the replacement of the Original Plan's limits of five percent (5%) of the issued and outstanding Shares issuable to any one person, and two percent (2%) issuable to any one consultant, in any twelve (12) month period with a single limit of two percent (2%) of the outstanding Shares that may be issued to any one Participant within any one (1) year period, and the addition of an annual limit on Awards granted to any one Non-Executive Director of CAD$150,000 in aggregate value, of which no more than CAD$100,000 may comprise Options, subject to certain exceptions;

- the revision of the amendment provisions to conform to the TSX Company Manual, including the addition of a requirement for Shareholder approval of any amendment permitting Awards to be transferred or assigned other than as permitted by the Omnibus Incentive Plan; and

- the removal of certain TSXV-specific provisions, including the restrictions applicable to investor relations service providers, and the adoption of other amendments required to comply with the corporate governance and security-based compensation requirements of the TSX.

As of the date of this Information Circular, 479,997 RSUs, 296,500 PSUs, 228,750 DSUs and 1,031,456 Options are outstanding under the Original Plan. The Omnibus Incentive Plan is intended to serve as the successor plan to the Original Plan. If approved by Shareholders at the Meeting, all outstanding awards granted under the Original Plan will, from and after the effective date of the Omnibus Incentive Plan, be governed by and subject to the terms of the Omnibus Incentive Plan, and no further awards will be granted under the Original Plan. If the Omnibus Incentive Plan is approved, an additional 7,262,755 Shares will be issuable, equal to 7.81% of the issued and outstanding Shares. The 7,262,755 Shares is equal to 10% of issued and outstanding Shares less the number of Awards currently outstanding under the Original Plan.

The following is a summary of the key provisions of the Omnibus Incentive Plan and is qualified in all respects by the full text of the Omnibus Incentive Plan which is attached as Schedule "B" to this Information Circular. Capitalized terms used in this section and not otherwise defined, have the meanings ascribed thereto in the Omnibus Incentive Plan.

Summary of Omnibus Incentive Plan

*Purpose*

The purposes of the Omnibus Incentive Plan are to promote a significant alignment between Eligible Participants and the growth objectives of the Company, to associate a portion of the compensation of Participants with the performance of the Company over the long term, and to attract, motivate and retain the directors, officers, employees and service providers to drive the business success of the Company.

*Types of Awards and Plan Administration*

The Omnibus Incentive Plan provides for the grant of options to purchase Shares ("**Options**"), restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**" and, together with Options, RSUs and DSUs, "**Awards**"). The Omnibus Incentive Plan is administered by the Board or, if the Board so determines, by a committee of the Board (in either case, the "**Committee**"). The Committee has full discretion to interpret the Omnibus Incentive Plan, to select the Participants to whom Awards are granted and to determine the nature, terms and conditions of each Award, including the exercise or issue price, vesting conditions and any Performance Goals. All determinations of the Committee are final, conclusive and binding on Participants and the Company.

*Shares Available for Awards*

The Omnibus Incentive Plan is a "rolling" plan under which the number of Shares issuable pursuant to all Awards granted under the Omnibus Incentive Plan, together with all other security based compensation arrangements of the Company, may not exceed ten percent (10%) of the issued and outstanding Shares, on a non-diluted basis, as at the date of grant of any Award. The number of Shares available for grant therefore increases or decreases with the number of issued and outstanding Shares. Where an Option is exercised by way of Net Exercise (described below), the full number of Options exercised, and not the number of Shares actually issued, is counted against this limit. Of the Shares available for issuance under the Omnibus Incentive Plan, a maximum of 9,299,458 Shares may be issued pursuant to Incentive Stock Options.

For the annual burn rate of the Original Plan for each of the Company's three most recently completed financial years, see "*Securities Authorized for Issuance Under Equity Compensation Plans – Burn Rate Disclosure*".

*Limits on Awards*

The Omnibus Incentive Plan provides the following limits on Awards:

(a) the maximum number of Shares issuable to Insiders, at any time, under the Omnibus Incentive Plan and all other security based compensation arrangements of the Company shall not exceed ten percent (10%) of the issued and outstanding Shares, calculated on a non-diluted basis, unless the requisite shareholder approval under Section 613 of the TSX Company Manual has been obtained;

(b) the maximum number of Shares issued to Insiders, within any one (1) year period, under the Omnibus Incentive Plan and all other security based compensation arrangements of the Company shall not exceed ten percent (10%) of the issued and outstanding Shares, calculated on a non-diluted basis, unless the requisite shareholder approval under Section 613 of the TSX Company Manual has been obtained;

(c) the maximum number of Shares issued to any one Participant, within any one (1) year period, under the Omnibus Incentive Plan and all other security based compensation arrangements of the Company shall not exceed two percent (2%) of the Shares outstanding at the commencement of such one (1) year period; and

(d) the aggregate value of Awards granted under the Omnibus Incentive Plan and all other security based compensation arrangements of the Company to any one Non-Executive Director in any one (1) year period shall not exceed CAD$150,000, of which no more than CAD$100,000 may comprise Options, except that these limits do not apply to Awards granted in lieu of cash director fees or to a one-time initial grant made to a Non-Executive Director upon joining the Board.

Awards granted, and securities issued under any other security based compensation arrangement of the Company, to a Participant before the Participant became an Insider are excluded in calculating the Insider limits in paragraphs (a) and (b) above. An Award does not entitle a Participant to any shareholder rights, including voting rights or dividend entitlements, until the underlying Shares are issued to the Participant.

*Pricing of Awards*

The exercise price of an Option is determined by the Committee at the time of grant and may not be less than the Market Price (as such term is defined in the Omnibus Incentive Plan) on the date of grant or, for so long as the Shares are listed and posted for trading on an Exchange, as may otherwise be permitted under the policies of such Exchange. Where the value of an Award other than an Option is initially tied to a price, that price is determined by the Committee, is specified in the applicable Award Agreement and, unless otherwise determined by the Board, may not be less than the FMV. The Omnibus Incentive Plan does not provide for stock appreciation rights, does not permit an Option to be converted into a stock appreciation right and does not provide for the purchase of Shares by Participants at a price below Market Price.

*Options*

Options may be granted in such number, upon such terms and at such times as the Committee determines, and are evidenced by an Award Agreement that specifies the exercise price, the term of the Option, the number of Shares subject to the Option and the conditions upon which the Option vests and becomes exercisable. An Option may be exercisable for a maximum of ten (10) years from the date of grant, subject to extension where the expiry date falls within a Blackout Period (described below). The exercise price is payable by certified cheque or wire transfer or by any other method approved by the Committee, subject to the rules of the TSX. The Committee may also permit an Option to be exercised by way of a net exercise ("**Net Exercise**"), whereby the Option is exercised without any cash payment by the Participant and the

Participant receives only the number of Shares equal to the quotient obtained by dividing (i) the number of Options being exercised multiplied by the difference between the VWAP of the Shares and the exercise price of the Options, by (ii) the VWAP of the Shares, where "**VWAP**" means the volume-weighted average trading price of the Shares on the TSX for the five (5) trading days immediately preceding the exercise (or, for U.S. Participants, the lesser of the VWAP and the FMV). Shareholder approval in accordance with the TSX Company Manual is required for any reduction in the exercise price, or any extension of the term, of an Option held by an Insider. Options intended to qualify as incentive stock options under the U.S. Internal Revenue Code may be granted to employees who are U.S. Participants, subject to the additional conditions set out in the Omnibus Incentive Plan.

Unless otherwise determined by the Committee or provided in a Participant's employment agreement, if a Participant dies while an Eligible Participant of the Company or an Affiliate, Options that were exercisable at the Termination Date may be exercised by the Participant's estate until the earlier of 12 months after the Termination Date and the expiry of the Option, and Options that were not vested at the Termination Date are cancelled. If a Participant's employment, office or engagement terminates for any reason other than death (including disability), Options that were exercisable at the Termination Date remain exercisable until the earlier of 90 days after the Termination Date and the expiry of the Option (and in no event beyond one year after the Termination Date), Options that were not vested at the Termination Date are cancelled and, where the termination is for Cause, all Options, whether vested or unvested, are immediately cancelled for no consideration. "**Termination Date**" means, in the case of death, the date of death and, in any other case, the Participant's last day actively at work for or actively engaged by the Company or the Affiliate, and does not include any period of contractual or reasonable notice.

*RSUs*

RSUs may be granted in such number and upon such terms as the Committee determines and are evidenced by an Award Agreement specifying the Period of Restriction, the number of RSUs granted, the settlement date and such other conditions as the Committee shall determine, including performance criteria, time-based restrictions and holding requirements. No RSU may vest earlier than one (1) year, or later than three (3) years, after the date of grant, except that the Committee may accelerate vesting for a Participant who dies or who ceases to be eligible to participate in the Omnibus Incentive Plan in connection with a Change of Control. When RSUs become payable, the Participant is entitled to receive, in the Committee's discretion, cash or Shares issued from treasury of equivalent value, based on the FMV. Participants have no voting rights in respect of RSUs.

Unless otherwise determined by the Committee or provided in a Participant's employment agreement, if a Participant dies, all unvested RSUs vest immediately and vested RSUs are paid to the Participant's estate within 12 months after the Termination Date. If a Participant's employment, office or engagement terminates for any other reason (including disability or termination for Cause), RSUs that vested before the Termination Date are paid to the Participant and unvested RSUs are cancelled and forfeited on the Termination Date. Except in the case of termination for Cause, the settlement or redemption of vested RSUs must occur within three months following the Termination Date.

*DSUs*

DSUs may be granted in such amounts and upon such terms as the Committee determines and are evidenced by an Award Agreement specifying the number of DSUs granted, the settlement date and such other conditions as the Committee considers advisable. No DSU may vest earlier than one (1) year after the date of grant, except that the Committee may accelerate vesting for a Participant who dies or who ceases to be eligible to participate in the Omnibus Incentive Plan in connection with a Change of Control. Vested DSUs may be settled only after the Participant's Termination Date and must be settled within one year after that date. DSUs may be granted to U.S. Participants only if they are non-employee directors. The Award

Agreement for each grant of DSUs sets out the extent to which the Participant retains the DSUs following termination of the Participant's employment or other relationship with the Company, which may differ depending on the reason for termination; however, if a Participant is terminated for Cause, all vested and unvested DSUs are immediately cancelled for no consideration unless the Committee determines otherwise on or before the Termination Date.

*PSUs*

PSUs may be granted in such number and upon such terms as the Committee determines. Each PSU has an initial value equal to the FMV of a Share on the date of grant. The Committee sets the performance criteria and the Performance Period for each grant, and the extent to which the performance criteria are achieved determines, in the manner set out in the Award Agreement, the number and value of PSUs that vest and are paid out. No PSU may vest earlier than one (1) year after the date of grant, except that the Committee may accelerate vesting for a Participant who dies or who ceases to be eligible to participate in the Omnibus Incentive Plan in connection with a Change of Control. Vested PSUs are paid, in the Committee's discretion, in cash or Shares issued from treasury equal to the value of the vested PSUs at the end of the applicable Performance Period, and any Shares may be issued subject to any restrictions deemed appropriate by the Committee.

Unless otherwise determined by the Committee or provided in a Participant's employment agreement, if a Participant dies, the number of unvested PSUs is adjusted as set out in the applicable Award Agreement, the resulting PSUs vest immediately and vested PSUs are paid to the Participant's estate within 12 months after the Termination Date. If a Participant's employment, office or engagement terminates for any other reason (including disability or termination for Cause), PSUs that vested before the Termination Date are paid to the Participant in accordance with the terms of the Plan and the applicable Award Agreement, and unvested PSUs are cancelled and forfeited on the Termination Date. Except in the case of termination for Cause, the settlement or redemption of vested PSUs must occur within three months following the Termination Date.

*Dividend Equivalents*

If the Committee so determines and the applicable Award Agreement so provides, Participants holding RSUs, DSUs or PSUs may be credited with dividends paid on the underlying Shares or with Dividend Equivalents, payable in cash, Shares or additional Awards as the Committee determines. Any Dividend Equivalents paid in the form of additional Awards reduce the number of Shares available for issuance under the Omnibus Incentive Plan and are subject to the limits described above. Where the issuance of additional Awards would cause those limits to be exceeded, the Dividend Equivalent is paid in cash. Notwithstanding any other provision of the Omnibus Incentive Plan, no cash dividends or Dividend Equivalents may be paid to a Participant prior to the vesting of the underlying RSU, DSU or PSU, and additional Awards credited in satisfaction of dividends or Dividend Equivalents vest and are paid in the same manner as the Awards to which they relate.

*Expiry, Blackout Periods and Non-Transferability*

Every Award expires in accordance with the terms of the Omnibus Incentive Plan and, in any event, within a reasonable period not exceeding 12 months after the Participant ceases to be eligible to participate in the Omnibus Incentive Plan, and any claim by a Participant's heirs or administrators to an outstanding Award must be made within one year after the Participant's death. If the expiry, redemption or settlement date of an Award falls within a Blackout Period formally imposed by the Company under its internal trading policies, that date is extended to the tenth business day following the end of the Blackout Period, provided that neither the Participant nor the Company is subject to a cease trade order and, in the case of a U.S. Participant, that the extension does not violate Section 409A of the U.S. Internal Revenue Code. Awards

are non-assignable and non-transferable, except to the extent expressly permitted under the Omnibus Incentive Plan, and may not be pledged or otherwise encumbered.

*Adjustments*

In the event of a merger, arrangement or amalgamation that does not constitute a Change of Control, consolidation, reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, spin-off or other similar change in the Shares or the capitalization of the Company, the Committee shall, subject to the approval of the TSX where applicable, make such equitable adjustments to the number and kind of Shares issuable under the Omnibus Incentive Plan and subject to outstanding Awards, the exercise price or FMV applicable to outstanding Awards and any other terms of outstanding Awards as are necessary to prevent dilution or enlargement of Participants' rights.

*Change of Control*

A Change of Control includes, subject to certain exceptions, the acquisition of beneficial ownership of or control or direction over more than 50% of the voting securities of the Company, the replacement of one-half or more of the incumbent members of the Board other than with the approval of the incumbent Board, and any transaction by which all or substantially all of the shares or assets of the Company become the property of another person. In the event of a Change of Control, the Committee may deal with outstanding Awards in the manner it considers fair and reasonable in the circumstances, including by cancelling outstanding Awards in exchange for a cash payment based on the Change of Control Price (subject to the approval of the TSX), cancelling unvested Options without payment, and accelerating the vesting of outstanding Awards, provided that no Award other than an Option may vest before the first anniversary of its grant unless the Participant dies or ceases to be eligible to participate in the Omnibus Incentive Plan in connection with the Change of Control. No cancellation, acceleration or payment will occur in respect of an Award if the Committee determines, before the Change of Control, that the Award will be honoured or assumed, or a substantially equivalent award substituted, by the successor to the Company, provided that the alternative award is based on shares traded on a recognized stock exchange and provides the Participant with rights, vesting and economic value substantially equivalent to or better than those of the original Award.

*Amendment and Termination*

Except as set out below, and as otherwise provided by law or Exchange rules, the Committee or Board may, at any time and from time to time, alter, amend, modify, suspend or terminate the Omnibus Incentive Plan or any Award in whole or in part without notice to, or approval from, shareholders of the Company, including, but not limited to, for the purposes of, fixing typographical errors, clarifying existing provisions without altering their scope, nature or intent, to comply with applicable law or the requirements of the TSX, and making any other amendment that does not require Shareholder approval under the TSX Company Manual. The following amendments require the prior approval of Shareholders, subject to the requirements of the TSX:

(a) an increase in the number of Shares reserved for issuance under the Omnibus Incentive Plan, other than pursuant to the adjustment provisions described above;

(b) an increase in or the removal of the limits on the Shares issuable to Insiders;

(c) a reduction in the exercise price or purchase price, or an extension of the term, of any Award granted to a Participant;

(d) a cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements;

(e) permitting an Award to be transferred or assigned other than as permitted by the Omnibus Incentive Plan;

(f) any amendment to the amendment provisions of the Omnibus Incentive Plan; and

(g) any other amendment required to be approved by Shareholders under applicable law or the requirements of the TSX.

No termination, amendment, suspension or modification of the Omnibus Incentive Plan may adversely affect in any material way an Award previously granted without the written consent of the Participant holding that Award. Subject to the approval of the TSX, the Committee may also adjust the terms and conditions of, and the criteria included in, Awards in recognition of unusual or non-recurring events affecting the Company or changes in applicable law or accounting principles, in order to prevent unintended dilution or enlargement of the benefits intended to be made available under the Omnibus Incentive Plan.

*Other Provisions*

The Omnibus Incentive Plan does not provide for any financial assistance by the Company to Participants to facilitate the purchase of Shares. The Committee may, in its discretion, reduce, cancel or require the forfeiture of vested and unvested Awards, or recoup payments or settlements made in the current or immediately preceding Fiscal Year, provided that the applicable determination is made within 45 days of the end of that Fiscal Year, upon the occurrence of specified events, including the Participant's misconduct, fraud or gross negligence, a breach of material Company policies or of non-competition, confidentiality or similar agreements, or a restatement of the Company's financial statements as a result of which Awards would not have vested, settled or been paid. The Company may withhold, or require a Participant to remit, amounts sufficient to satisfy applicable tax withholding obligations, including by withholding and selling Shares. The Omnibus Incentive Plan also contains provisions applicable to U.S. Participants intended to comply with Section 409A of the U.S. Internal Revenue Code and applicable U.S. securities laws.

Omnibus Incentive Plan Resolution

The complete text of the resolution, with or without variation, to be placed before the Meeting authorizing the adoption of the Omnibus Incentive Plan (the "**Omnibus Incentive Plan Resolution**") will be substantively as follows**:**

"**BE IT HEREBY RESOLVED** as an ordinary resolution of the Company that:

1. the amended and restated omnibus equity incentive plan (the "**Omnibus Incentive Plan**"), substantially in the form attached as Schedule "B" to the management information circular of the Company dated October 26, 2026, is hereby authorized, approved, ratified and confirmed;

2. the maximum number of common shares in the capital of the Company ("**Common Shares**") which may be reserved for issuance pursuant to Awards issuable under the Omnibus Incentive Plan shall be equal to ten percent (10%) of the then issued and outstanding Common Shares from time to time, less the number of Common Shares reserved for issuance under any other security-based compensation arrangements of the Company from time to time;

3. all unallocated restricted share units, performance share units, deferred share units and options ("**Awards**") under the Omnibus Incentive Plan are hereby approved and the Company shall have the ability to continue granting Awards under the Omnibus Incentive Plan until November 30, 2029, being the date that is three (3) years from the date of the meeting at which Shareholder approval is being sought;

4. all outstanding Awards granted under and governed by the Company's existing omnibus incentive plan previously approved by the shareholders of the Company (the "**Original Plan**"), shall, from and after the effective date of the Omnibus Incentive Plan, be governed by and subject to the terms of the Omnibus Incentive Plan, and no further Awards shall be granted under the Original Plan;

5. the Company is authorized to set-aside, allot and reserve for issuance such number of Common Shares as may be required to be issued pursuant to the exercise, settlement or vesting of Awards and to issue such Common Shares as fully paid and non-assessable Common Shares upon the due exercise of Awards in accordance with the Omnibus Incentive Plan;

6. the board of directors of the Company is hereby authorized to make such amendments to the Omnibus Incentive Plan from time to time, as may be required by the applicable regulatory authorities, or as may otherwise be permitted in accordance with the terms of the Omnibus Incentive Plan, provided always that such amendments be subject to the approval of the regulatory authorities, if required, and, where required pursuant to the terms of the Omnibus Incentive Plan, the approval of the Shareholders;

7. any officer or director of the Company is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution; and

8. notwithstanding that this resolution be passed by the Shareholders of the Company, the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

To be adopted, this resolution is required to be passed by a simple majority of Shareholder votes cast in person or by proxy at the Meeting. **The Board unanimously recommends that Shareholders vote in favour of the Omnibus Incentive Plan Resolution. The persons designated as proxyholders in the accompanying Instrument of Proxy (absent contrary directions) intend to vote FOR the Omnibus Incentive Plan Resolution.**

**Alteration of the Articles**

Part 15 of the articles of the Company (the "**Articles**") permits a director to appoint an alternate director to act in his or her place at meetings of the Board or of a committee of the Board that the director is unable to attend, and sets out the rights and obligations of an alternate director. In connection with the Company's uplisting from the TSXV to the TSX, the Company proposes to remove Part 15 from the Articles, as an alternate director appointed under Part 15 would not have been elected by Shareholders in accordance with the policies of the TSX.

Accordingly, Shareholders will be asked to consider and, if thought advisable, pass an ordinary resolution (the "**Articles Alteration Resolution**") authorizing the Company to alter the Articles by deleting Part 15 in its entirety, together with the consequential deletion of the references to alternate directors elsewhere in

the Articles (the "**Articles Alteration**"). No alternate director has been appointed under Part 15. The Articles Alteration does not alter the Company's notice of articles, the rights or restrictions attached to the Shares or any restriction on the business the Company may carry on or the powers it may exercise. A copy of the Articles is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Under the Business Corporations Act (*British Columbia*) (the "**BCBCA**") and the Articles, the Articles Alteration may be approved by ordinary resolution, being a resolution passed by a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. Notwithstanding Shareholder approval, the Board may revoke the Articles Alteration Resolution at any time before the Articles Alteration takes effect, without further approval of Shareholders, if the Board considers it appropriate to do so.

Articles Alteration Resolution

The complete text of the Articles Alteration Resolution, with or without variation, to be placed before the Meeting will be substantively as follows**:**

"**BE IT HEREBY RESOLVED** as an ordinary resolution of the Company that:

1. The articles of the Company (the "**Articles**") be altered by deleting Part 15 – Alternate Directors in its entirety and by deleting each reference to an alternate director elsewhere in the Articles (the "**Articles Alteration**").

2. Notwithstanding that this resolution has been passed by the holders of the Common Shares of the Company, the directors of the Company, at their sole discretion, are hereby authorized and empowered without further notice to, or approval of, such shareholders, to determine not to proceed with the Articles Alteration at any time prior to the completion of the Articles Alteration.

3. Any one officer and director of the Company is hereby authorized for and on behalf of the Company to execute and deliver all such instruments and documents and to do all such acts and things as may be necessary to effect to this ordinary resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

To be adopted, this resolution is required to be passed by a simple majority of Shareholder votes cast in person or by proxy at the Meeting. **The Board unanimously recommends that Shareholders vote in favour of the Articles Alteration Resolution. The persons designated as proxyholders in the accompanying Instrument of Proxy (absent contrary directions) intend to vote FOR the Articles Alteration Resolution.**

## ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR+ at www.sedarplus.ca. Shareholders may contact the Company at 604-569-1609 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR+.

## OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

DATED this 26th day of October, 2026.

APPROVED BY THE BOARD OF DIRECTORS

"*Arturo Prestamo Elizondo*"
Arturo Prestamo Elizondo
Chief Executive Officer, Executive Chairman and a Director

**Schedule “A”**

**Board Charter**

See attached.

# BOARD CHARTER

## SANTACRUZ SILVER MINING LTD.
(the "**Company**")

## GENERAL

The primary responsibility of the Board of Directors of the Company (the "Board") is to provide governance and stewardship to the Company.

The Board will appoint a competent executive management team to run the day-to-day operations of the Company and will oversee and supervise the management of the business of the Company by that team. Non-executive members of the Board will not be involved in the day-to-day management of the Company.

The Board will oversee the Company's systems of corporate governance and financial reporting and controls to ensure that the Company reports adequate and fair financial information to shareholders and engages in ethical and legal corporate conduct.

The Board will carry out its mandate directly and through the following committees of the Board (and such other committees as it appoints from time to time): the Audit Committee, the Nominating and Governance Committee, the Compensation Committee and the Health, Safety and Environment Committee.

These guidelines are in addition to, and are not intended to change, interpret or supersede, any applicable policies and rules of the TSX Venture Exchange or regulation, including any other exchange on which the Company's securities are listed or quoted, or the Company's constating documents.

## APPOINTMENT AND SUPERVISION OF MANAGEMENT

The Board will:

- Provide effective governance over the Company's business and affairs for the benefit of the shareholders.

- Appoint the Chief Executive Officer ("CEO") and other executive officers, provide them with advice and counsel and monitor the performance of the CEO against a set of mutually agreed corporate objectives directed at maximizing shareholder value and approve CEO compensation.

- Establish a process to adequately provide for management succession.

- Establish boundaries between the Board and management responsibilities and establish limits of authority delegated to management.

- Establish communication channels and reporting relationships between the Board and management.

- Review and consider for approval all material amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy.

**STRATEGIC PLANNING, RISK MANAGEMENT**

The Board will:

- Adopt a strategic planning process and review and approve annually a corporate strategic plan and vision which takes into account, among other things, the opportunities and risks of the business on a long-term and short-term basis.

- Review and approve management's strategic and operational plans to ensure they are consistent with the corporate vision.

- Monitor the Company's performance against both short-term and long-term strategic plans and annual performance objectives.

- Confirm that a management system is in place to identify the principal risks to the Company and its business and that appropriate procedures are in place to monitor and mitigate those risks.

- Confirm that management processes are in place to address and comply with applicable regulatory, corporate, securities and other compliance matters.

- Confirm that processes are in place to comply with the Company's articles, Code of Business Conduct and Ethics, all recognition orders and exemption orders issued in respect of the Company by applicable securities regulatory authorities, and all other significant policies and procedures.

**FINANCIAL REPORTING AND MANAGEMENT**

The Board will:

- Approve the Company's audited financial statements and review and oversee the Company's compliance with applicable audit, accounting and financial reporting requirements.

- Approve annual operating and capital budgets.

- Confirm the integrity of the Company's internal control and management information systems.

- Review operating and financial performance results relative to established strategy, budgets and objectives.

- Review and assess the adequacy of the Audit Committee Charter on an annual basis.

**SHAREHOLDER COMMUNICATION**

The Board will:

- Confirm that management has established a system for effective corporate communications including processes for consistent, transparent, regular and timely public disclosure.

- Approve the adoption of a disclosure policy relating to, among other matters, the confidentiality of the Company's business information.

- Report annually to shareholders on the Board's stewardship for the previous year.

- Determine appropriate criteria against which to evaluate corporate performance against shareholder expectations and confirm that the Company has a system in place to receive feedback from shareholders.

- Allow shareholders, subject to reasonable constraints of time and topics and rules of order, to direct comments and ask questions of the Chairman of the Board and the CEO during the Annual Meeting.

Shareholders may also communicate directly with any director by writing to:

[Name of Santacruz Director(s)]
Santacruz Silver Mining Ltd.
Strictly Confidential
1125 – 595 Howe Street
Vancouver, British Columbia V7C 2T5
Attention: Corporate Secretary

The Secretary will promptly forward to the Board or the individually named directors all written communications received at the above address.

**CORPORATE GOVERNANCE**

The Board will:

- Establish an appropriate system of corporate governance including practices to permit the Board to function independently of management.

- Establish committees and approve their respective charters and the limits of authority delegated to each committee.

- Determine Board member qualifications.

- Establish appropriate processes for the regular evaluation of the effectiveness of the Board, its committees and its members.

- Review on an annual basis whether any two or more Board members sit on the board of another company (other than any subsidiaries of the Company) and whether the composition of the Board needs to be changed to eliminate these interlocks.

- Approve the nomination of directors.

- Review recommendations of the Compensation Committee regarding directors' compensation.

- Arrange for non-management directors to meet regularly, and in no case less frequently than quarterly, without management present.

- Establish a minimum attendance expectation for Board members in respect of Board and committee meetings, keeping in mind the principle that the Board believes that all directors should attend all meetings of the Board and each committee on which he or she sits.

**CODE OF BUSINESS CONDUCT AND ETHICS**

The Board will:

- Adopt a Code of Business Conduct and Ethics (the "Code of Conduct") that applies to all directors, officers and employees of the Company and monitor compliance with such code.

- Approve any waivers and ensure disclosure of any waivers of the Code of Business Conduct and Ethics with respect to directors or executive officers in accordance with applicable securities laws and stock exchange requirements.

**THE CHAIR OF THE BOARD**

The Chair of the Board reports to the Board and shareholders and provides leadership to the Board in matters relating to the effective execution of all Board responsibilities and works with the CEO and senior management team to ensure that the organization fulfills its responsibilities to stakeholders including shareholders, employees, customers, governments and the public. The Chair of the Board will be a person other than the CEO.

The Chair of the Board will:

- Provide effective leadership so that the Board can function independently of management by ensuring that the Board meets regularly without management and that the Board may engage outside advisors as required subject to any approvals determined by the Board.

- Establish procedures to govern the Board's work including:

    - together with the Secretary, scheduling meetings of the Board and its committees;
    - chairing all meetings of the Board;
    - encouraging full participation, stimulating debate, facilitating consensus and ensuring clarity regarding decision-making;
    - developing the agenda for Board meetings with input from other Board members and management;
    - together with the Secretary, ensuring proper and timely information is delivered to the Board;
    - ensuring that the Board has appropriate administrative support; and
    - addressing complaints, questions and concerns regarding Board matters.

- Ensure the Board fully exercises its responsibilities and duties and complies with applicable governance and other policies.

- Meet or communicate regularly with the CEO regarding corporate governance matters, corporate performance and feedback from Board members.

- Act as a liaison between the Board and management.

- Serve as advisor to the CEO and other officers.

- Together with the Board's Nominating and Governance Committee, establish appropriate committee structures, including the assignment of Board members and the appointment of

committee chairs.

- Ensure that adequate orientation and ongoing training programs are in place for Board members.

- Together with the Board's Nominating and Governance Committee, establish performance criteria for the Board and for individual Board members and co-ordinate the evaluation of performance and reporting against these criteria.

- Work with the Board or appropriate Board committee to establish performance criteria for the CEO and to facilitate the evaluation of the CEO's performance.

- Work with the Board's Nominating and Governance Committee to establish and manage a succession program for the CEO's position.

- Oversee matters relating to shareholder relations and chair meetings of the shareholders.

- Work with the CEO to represent the Company to external stakeholders including shareholders, the investment community, governments and communities.

The Chair of the Board's performance will be measured against the following key metrics:

- The effectiveness with which the Board functions, including satisfaction of Board members regarding the functioning of the Board.

- The extent to which the Company carries out its responsibilities to shareholders, employees, customers, governments, and the public.

- The quality of communications between the Board and management, including satisfaction of members of management and Board members regarding this communication.

**THE CHIEF EXECUTIVE OFFICER**

The CEO is accountable to the Board for achieving corporate objectives within specified limitations and in accordance with the CEO's performance objectives determined annually by the Board.

The CEO will:

- Provide worldwide vision and leadership for the Company.

- Develop and recommend corporate strategies, and business and financial plans for the approval of the Board.

- Execute the corporate strategy to achieve profitable growth and maximize shareholder value for the Company's shareholders.

- Manage the business operations in accordance with the strategic direction approved by the Board and within operational policies as determined by the Board, including, as applicable, protecting the core business of the Company,

- Challenge management to set and achieve viable annual and long-term strategic and financial goals.

- Monitor the performance of management against a set of initially agreed corporate objectives directed at maximizing shareholder value.

- Recommend appropriate rewards and incentives for management.

- Report information from management to the Board in a manner and time so that the Board may effectively monitor and evaluate corporate (operational and financial) performance against stated objectives and within executive limitations.

- Report to the Board on relevant trends, anticipated media and analyst coverage, material external or internal changes, and any changes in the assumptions upon which any Board decision or approval has previously been made.

- Advise the Board if, in the CEO's opinion, the Board is not in compliance with its own policies, or legal and/or regulatory requirements.

- Provide the Board with all information and access that the Board may require in order to make fully-informed decisions.

- Report in a timely manner any actual or anticipated non-compliance with any Board approved policy or decision.

**EFFECTIVE DATE**

This Charter was implemented by the Board on May 8, 2014.

Complete form and return to:

Santacruz Silver Mining Ltd.
E-mail: rgm@malaspinaconsultants.com

I, _____ acknowledge that I have received, read, understand, accept and agree to comply with the Board Charter approved by the Board on May 8, 2014.

_____ _____

Director Signature Date

_____

(print Director name)

**Schedule "B"**

**Omnibus Incentive Plan**

See attached.

**SANTACRUZ SILVER MINING LTD.**
**AMENDED AND RESTATED OMNIBUS EQUITY INCENTIVE PLAN**

**Effective as of November 17, 2023**

**As Amended and Restated on October 26, 2026**

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## ARTICLE 1
## ESTABLISHMENT, PURPOSE AND DURATION

### 1.1 Establishment of the Plan.

Santacruz Silver Mining Ltd., a company incorporated under the laws of British Columbia (the "**Company**"), hereby establishes an incentive compensation plan to be known as the Amended and Restated Omnibus Equity Incentive Plan (the "**Plan**"). The Plan permits the grant of Options, Restricted Share Units, Deferred Share Units and Performance Share Units. The Plan was adopted on November 17, 2023, and amended and restated October 26, 2026 (the "**Effective Date**"). The Plan amends, restates, and replaces the Company's Omnibus Equity Plan that became effective on November 17, 2023, and the Plan shall govern all Awards (as defined below), including Awards granted prior to the Effective Date.

### 1.2 Purpose of the Plan.

The purposes of the Plan are: (i) to promote a significant alignment between Eligible Participants (as defined below) and the growth objectives of the Company; (ii) to associate a portion of the compensation of Participants (as defined below) with the performance of the Company over the long term; and (iii) to attract, motivate and retain the critical Directors, Officers, Employees and Service Providers (all as defined below) to drive the business success of the Company.

With respect to Reporting Participants, the Plan and all transactions hereunder are intended to comply with all applicable conditions of Rule 16b-3 promulgated under the Exchange Act. To the extent any provision of the Plan or action by the Board fails to so comply, such provision or action shall be deemed null and void ab initio, to the extent permitted by law and deemed advisable by the Board.

### 1.3 Duration of the Plan.

The Plan shall commence as of the Effective Date, as described in Section 1.1 herein, and shall remain in effect until terminated by the Board (as defined below) pursuant to Article 13 hereof.

## ARTICLE 2
## DEFINITIONS

Whenever used in the Plan, the following terms shall have the respective meanings set forth below, unless the context clearly requires otherwise, and when such meaning is intended, such term shall be capitalized.

"**Affiliate**" means any corporation, partnership or other entity (i) in which the Company, directly or indirectly, has majority ownership interest or (ii) which the Company controls. For the purposes of this definition, the Company is deemed to "control" such corporation, partnership or other entity if the Company possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation, partnership or other entity, whether through the ownership of voting securities, by contract or otherwise, and includes a corporation which is considered to be a subsidiary for purposes of consolidation under International Financial Reporting Standards.

"**Award**" means, individually or collectively, a grant under this Plan of Options, Restricted Share Units, Deferred Share Units or Performance Share Units, in each case subject to the terms of this Plan.

"**Award Agreement**" means either (i) a written agreement entered into by the Company or an Affiliate of the Company and a Participant setting forth the terms and provisions applicable to Awards granted under this Plan; or (ii) a written statement issued by the Company or an Affiliate of the Company to a Participant describing the terms and provisions of such Award. All Award Agreements shall be deemed to incorporate the provisions of the Plan. An Award Agreement need not be identical to other Award Agreements either in form or substance.

"**Blackout Period**" means a period of time during which the Company prohibits Participants from exercising, redeeming or settling their Awards, due to applicable law or policies of the Company.

"**Board**" or "**Board of Directors**" means the board of directors of the Company.

"**Cause**" means any of:

(a) dishonesty of the Participant as it relates to the performance of the Participant's duties in the course of employment by, or as an Officer or Director of, the Company or an Affiliate;

(b) fraud committed by the Participant;

(c) willful disclosure of confidential or private information regarding the Company or an Affiliate by the Participant;

(d) the Participant aiding a competitor of the Company or an Affiliate;

(e) misappropriation of a business opportunity of the Company or an Affiliate by the Participant;

(f) willful misconduct or gross negligence in the performance of the Participant's duties under the Participant's employment agreement;

(g) a breach by the Participant of a material provision of the Participant's employment agreement or any code of business conduct and ethics or similar policies adopted by the Company from time to time;

(h) the willful and continued failure on the part of the Participant to substantially perform duties in the course of the Participant's employment by, or as an Officer of, the Company or an Affiliate, unless such failure results from an incapacity due to mental or physical illness;

(i) willfully engaging in conduct that is demonstrably and materially injurious to the Company or an Affiliate, monetarily or otherwise; or

(j) any other act or omission by the Participant which would amount to just cause for termination at common law.

"**Change of Control**" shall occur if any of the following events occur:

(a) the acquisition, directly or indirectly and by any means whatsoever, by any person, or by a group of persons acting jointly or in concert, of beneficial ownership or control or

direction over that number of Voting Securities which is greater than 50% of the total issued and outstanding Voting Securities immediately after such acquisition, unless such acquisition arose as a result of or pursuant to:

(i) an acquisition or redemption by the Company of Voting Securities which, by reducing the number of Voting Securities outstanding, increases the proportionate number of Voting Securities beneficially owned by such person to 50% or more of the Voting Securities then outstanding;

(ii) acquisitions of Voting Securities which were made pursuant to a dividend reinvestment plan of the Company;

(iii) the receipt or exercise of rights issued by the Company to all the holders of Voting Securities to subscribe for or purchase Voting Securities or securities convertible into Voting Securities, provided that such rights are acquired directly from the Company and not from any other person;

(iv) a distribution by the Company of Voting Securities or securities convertible into Voting Securities for cash consideration made pursuant to a public offering or by way of a private placement by the Company ("**Exempt Acquisitions**");

(v) a stock-dividend, a stock split or other event pursuant to which such person receives or acquires Voting Securities or securities convertible into Voting Securities on the same pro rata basis as all other holders of securities of the same class ("**Pro-Rata Acquisitions**"); or

(vi) the exercise of securities convertible into Voting Securities received by such person pursuant to an Exempt Acquisition or a Pro-Rata Acquisition ("**Convertible Security Acquisitions**");

provided, however, that if a person shall acquire 50% or more of the total issued and outstanding Voting Securities by reason of any one or a combination of (1) acquisitions or redemptions of Voting Securities by the Company, (2) Exempt Acquisitions, (3) Pro-Rata Acquisitions, or (4) Convertible Security Acquisitions and, after such share acquisitions or redemptions by the Company or Exempt Acquisitions or Pro-Rata Acquisitions or Convertible Security Acquisitions, acquires additional Voting Securities exceeding one per cent of the Voting Securities outstanding at the date of such acquisition other than pursuant to any one or a combination of Exempt Acquisitions, Convertible Security Acquisitions or Pro-Rata Acquisitions, then as of the date of such acquisitions such acquisition shall be deemed to be a "**Change of Control**";

(b) the replacement by way of election or appointment at any time of one-half or more of the total number of the then incumbent members of the Board of Directors, unless such election or appointment is approved by 50% or more of the Board of Directors in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened; and

(c) any transaction or series of transactions, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, whereby

all or substantially all of the shares or assets of the Company become the property of any other person (the "**Successor Entity**") (other than a subsidiary of the Company), unless:

(i) individuals who were holders of Voting Securities immediately prior to such transaction hold, as a result of such transaction, in the aggregate, more than 50% of the voting securities of the Successor Entity;

(ii) a majority of the members of the board of directors of the Successor Entity is comprised of individuals who were members of the Board of Directors immediately prior to such transaction; and

(iii) after such transaction, no person or group of persons acting jointly or in concert, holds more than 50% of the voting securities of the Successor Entity unless such person or group of persons held securities of the Company in the same proportion prior to such transaction.

Notwithstanding the foregoing provisions of this subsection, in the event an Award provides for "deferred compensation" under Section 409A, then an event shall not constitute a Change of Control for purposes of such Award unless such event also constitutes a change in the Company's ownership, its effective control, or the ownership of a substantial portion of its assets within the meaning of Section 409A.

"**Change of Control Price**" means, unless otherwise determined by the Board, a price determined by the Committee based on the closing price of a Share on the Exchange on the trading day preceding the Change of Control date or, solely with respect to a Participant who is not a U.S. Participant, based on the volume weighted average trading price of the Shares on the Exchange for the five trading days immediately preceding the Change of Control date.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

"**Committee**" means the Board of Directors, or if so delegated by the Board, any duly authorized committee of the Board appointed by the Board to administer the Plan.

"**Company**" means Santacruz Silver Mining Ltd., a company incorporated under the laws of British Columbia, and any successor thereto as provided in Article 15 herein.

"**Deferred Share Unit**" means an Award denominated in units that provides the holder thereof with a right to receive, in the Committee's discretion, Shares or cash equal to the value of the vested Shares upon settlement of the Award, granted under Article 8 herein and subject to the terms of this Plan.

"**Director**" means any individual who is a director (as defined under Securities Laws) of the Company or of any of its subsidiaries, provided that, with respect to U.S. Participants, a "Director" means a director of the Company who is not an Employee (for purposes of U.S. Participants) or a Service Provider (for purposes of U.S Participants).

"**Dividend Equivalent**" means a right with respect to an Award to receive cash, Shares or other property equal in value and form to dividends declared by the Board and paid with respect to outstanding Shares. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement,

and if specifically provided for in the Award Agreement shall be subject to the Plan and such other terms and conditions set forth in the Award Agreement as the Committee shall determine.

"**Eligible Participants**" means any Director, Officer, Employee or Service Provider of the Company or any of its subsidiaries.

"**Employee**" means:

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

(b) 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 or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source; or

(c) an individual who works for the 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 or its subsidiary over the details and methods of work as an employee of the Company or of the subsidiary, as the case may be, but for whom income tax deductions are not made at source.

Notwithstanding the foregoing, with respect to U.S. Participants, an "Employee" means a common law employee (as defined in accordance with the Regulations and Revenue Rulings then applicable under Section 3401(c) of the Code) of the Company or any subsidiary of the Company; provided, however, in the case of individuals whose employment status, by virtue of their employer or residence, is not determined under Section 3401(c) of the Code, "Employee" shall mean an individual treated as an employee for local payroll tax or employment purposes by the applicable employer under applicable law for the relevant period.

"**Exchange**" means the TSX or, if at any time the Shares are not listed and posted for trading on the TSX, shall be deemed to mean such other stock exchange or trading platform upon which the Shares trade and which has been designated by the Committee.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Fiscal Year**" means the Company's fiscal year commencing on January 1 and ending on December 31 or such other fiscal year as approved by the Board.

"**FMV**" means a price that is determined by the Committee, provided that, such price, on any given measurement date, cannot be less than the greater of (i) the volume weighted average trading price of the Shares on the Exchange for the five trading days immediately prior to such measurement date, (ii) the closing price of the Shares on the Exchange on the trading day immediately prior to such measurement date, (iii) the closing price of the Shares on the Exchange on the measurement date or (iv) $0.05. Notwithstanding the foregoing, solely with respect to U.S. Participants, FMV shall be determined without consideration of subclause (i) in the preceding sentence. The determination of FMV shall, where

applicable, be in compliance with Section 409A.

"**Incentive Stock Option**" means any Option awarded under Section 6.7 of the Plan to a U.S. Participant that is intended to meet the requirements of Section 422 of the Code or any successor provision. Incentive Stock Options may only be granted to Participants subject to taxation under the laws of the United States.

"**ISO Entity**" means any entity that (a) is defined as a corporation under Section 7701 of the Code and (b) is (i) the Company, (ii) any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in the chain, or (iii) any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in the chain. An entity that is disregarded as separate from its owner for U.S. federal income tax purposes shall be treated as part of the ISO Entity that owns it. For purposes of clarity, in no event may any partnership or a limited liability company taxed as a partnership be treated as an ISO Entity

"**Insider**" means an insider of the Company as defined in the rules of the TSX Company Manual for the purpose of Security Based Compensation Arrangements.

"**Issued Shares**" means, at any time, the number of Shares that are then issued and outstanding on a non-diluted basis.

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

"**Market Price**", as of a particular date, shall be equal to the volume-weighted average trading price of the Shares for the five (5) Trading Days immediately preceding such date as reported by the TSX, or, if the Shares are not listed on the Toronto Stock Exchange, on such other principal stock exchange or over-the-counter market on which the Shares are listed or quoted, as the case may be, provided that if the Shares are not publicly traded or quoted, then the "**Market Price**" shall be the fair market value of the Shares, as determined by the Board, acting reasonably and in good faith based on the reasonable application of a reasonable valuation method not inconsistent with Section 409A or Canadian tax law, as applicable, on the particular date.

"**Material Information**" means a Material Fact and/or Material Change as such terms are defined by applicable Securities Laws and Exchange policies.

"**Non-Executive Director**" means a Director who is not an Employee of the Company or of any of its subsidiaries.

"**Non-Qualified Stock Option**" shall mean an Option granted under Article 6 of the Plan that is not intended to be an Incentive Stock Option.

"**Officer**" means an officer (as defined under Securities Laws) of the Company or of any of its subsidiaries.

"**Option**" means the conditional right to purchase Shares at a stated Option Price for a specified period of

time subject to the terms of this Plan. Options shall include both Incentive Stock Options and Non-Qualified Stock Options.

"**Option Price**" means the price at which a Share may be purchased by a Participant pursuant to an Option, as determined by the Committee.

"**Participant**" means Eligible Participants that are granted Awards under the Plan.

"**Performance Goal**" means a performance criterion selected by the Committee for a given Award.

"**Performance Period**" means the period of time during which the assigned performance criteria must be met in order to determine the degree of payout and/or vesting with respect to an Award, as set out in the applicable Award Agreement.

"**Performance Share Unit**" means an Award granted under Article 9 herein and subject to the terms of this Plan, denominated in units, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved.

"**Period of Restriction**" means the period when an Award of Restricted Share Units is subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events as determined by the Committee, in its discretion, as set out in the applicable Award Agreement.

"**Person**" shall have the meaning ascribed to such term in Section 1(1) of the Securities Act.

"**Reporting Participant**" means a Participant who is subject to the reporting requirements of Section 16 of the Exchange Act.

"**Restricted Share Unit**" means an Award denominated in units subject to a Period of Restriction, with a right to receive, in the Committee's discretion, Shares or cash equal to the FMV of the vested Shares upon settlement of the Award, granted under Article 7 herein and subject to the terms of this Plan and Section 409A of the Code.

"**Section 409A**" means Section 409A of the Code and the regulations and guidance promulgated thereunder.

"**Securities Act**" means the *Securities Act* (British Columbia), as may be amended from time to time.

"**Securities Laws**" means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Company.

"**Security Based Compensation**" means a security granted pursuant to this Plan or any other Security Based Compensation Arrangements of the Company, as adopted from time to time.

"**Security Based Compensation Arrangement**" has the meaning ascribed in Section 613(b) of the TSX Company Manual, as amended, amended and restated or replaced from time to time.

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a

separation from service under U.S. Treasury Regulation Section 1.409A-1(h). A U.S. Participant shall be deemed to have separated from service if he or she dies, retires, or otherwise has a termination of employment as defined under Treasury Regulation Section 1.409A-1(h).

"**Service Provider**" means, as defined in Section 613(b) of the TSX Company Manual, an individual (other than an employee, officer or director of the Company or a subsidiary) or company that is engaged by the Company or a subsidiary to provide services for an initial, renewable or extended period of twelve months or more, provided that, with respect to U.S. Participants, a "Service Provider" means any natural person (or a wholly owned alter ego entity of the natural person providing such services of which such person is an employee, shareholder, or partner), who is not an Employee, rendering bona fide services to the Company or a subsidiary, with compensation, pursuant to a written independent consultant agreement between such person and the Company or a subsidiary, provided that such services are not rendered in connection with the offer or sale of securities in a capital raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

"**Shares**" means common shares in the capital of the Company.

"**Specified Employee**" has the meaning set forth in U.S. Treasury Regulation Section 1.409A-1(i).

"**Successor Entity**" has the meaning ascribed thereto under subsection (c) of the definition of Change of Control.

"**Termination Date**" means, unless otherwise determined by the Committee, in the case of a Participant whose employment or term of office or engagement with the Company or an Affiliate terminates (i) by reason of the Participant's death, the date of death; or (ii) for any reason whatsoever other than death, including but not limited to disability and termination with or without cause, the date of the Participant's last day actively at work for or actively engaged by the Company or the Affiliate, as the case may be; and for greater certainty "Termination Date" in any such case specifically does not mean the date on which any period of contractual notice or reasonable notice that the Company or the Affiliate, as the case may be, may be required at law to provide to a Participant would expire. Notwithstanding the foregoing, if the Termination Date triggers payment of any Award which is "deferred compensation" under Section 409A, the Termination Date shall be the date of the Separation from Service.

"**Trading Day**" means a day when trading occurs through the facilities of the Exchange.

"**TSX**" means the Toronto Stock Exchange.

"**U.S. Award Holder**" shall mean any holder of an Award who is a "U.S. person" (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act) or who is holding or exercising Awards in the United States.

"**U.S. Participant**" means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code or for whom an Award is otherwise subject to taxation under the Code.

"**U.S. Securities Act**" shall mean the U.S. Securities Act of 1933, as amended.

"**Voting Securities**" shall mean any securities of the Company ordinarily carrying the right to vote at elections of Directors and any securities immediately convertible into or exchangeable for such securities.

"**VWAP**" means the volume weighted average trading price of the Company's Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five Trading Days immediately preceding the exercise of the subject Option, provided that where appropriate, the Exchange may exclude internal crosses and certain other special terms trades from the calculation.

## ARTICLE 3
## ADMINISTRATION

### 3.1 General.

The Committee shall be responsible for administering the Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its Officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee shall be final, conclusive and binding upon the Participants, the Company, and all other interested parties.

### 3.2 Authority of the Committee.

The Committee shall have full and exclusive discretionary power to interpret the terms and the intent of the Plan and any Award Agreement or other agreement ancillary to or in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations, guidelines, and sub-plans and addendums (including sub-plans and addendums for Awards made to Participants who are not residents in Canada) for administering the Plan as the Committee may deem necessary or proper. Such authority shall include, but not be limited to, selecting Award recipients, establishing all Award terms and conditions, including grant, exercise price, issue price and vesting terms, determining Performance Goals applicable to Awards and whether such Performance Goals have been achieved, making adjustments under Section 4.8 and, subject to Article 13, adopting modifications and amendments, or subplans to the Plan or any Award Agreement, including, without limitation, any that are necessary or appropriate to comply with the laws or compensation practices of the jurisdictions in which the Company and Affiliates operate.

### 3.3 Delegation.

The Committee may delegate to one or more of its members any of the Committee's administrative duties or powers as it may deem advisable; provided, however, that any such delegation must be permitted under applicable corporate law. Notwithstanding the foregoing, to the extent necessary to satisfy the requirements of Rule 16b-3 promulgated under the Exchange Act, any function relating to a Reporting Participant shall be performed solely by the Board or, if applicable, the Committee.

### 3.4 Board/Committee Membership.

Notwithstanding the foregoing, if necessary to satisfy the requirements of Rule 16b-3 promulgated under the Exchange Act, membership on the Board or the Committee, as applicable, for any decisions or actions subject to the Exchange Act, shall be limited to those individuals who are "non-employee directors" as defined in Rule 16b-3 promulgated under the Exchange Act.

## ARTICLE 4
## SHARES SUBJECT TO THE PLAN AND MAXIMUM AWARDS

**4.1 Number of Shares Available for Awards.**

The Plan is a "rolling up to 10%" Security Based Compensation Arrangement. The Plan is a "rolling" plan pursuant to which the maximum number of Shares that are issuable with respect to all Awards granted hereunder and under any other Security Based Compensation Arrangement of the Company shall not exceed 10% of the Issued Shares as at the date of any Award grant, subject to adjustment as provided in Section 4.8 herein, of which 9,299,458 Shares may be delivered pursuant to Incentive Stock Options.

**4.2 Specific Allocations.**

The Company cannot grant or issue an Award hereunder unless and until the Award has been allocated to a particular Participant.

**4.3 Limits for Individuals.**

(a) The maximum number of Shares issuable to Insiders, at any time, under the Plan and when combined with all other Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the Shares outstanding from time to time, calculated on a non-diluted basis.

(b) The maximum number of Shares issued to Insiders, within any one (1) year period, under the Plan and when combined with all other Security Based Compensation Arrangements, shall not exceed ten percent (10%) of the Shares outstanding from time to time, calculated on a non-diluted basis.

(c) Any Award granted pursuant to the Plan, and any securities issued pursuant to any other Security Based Compensation Arrangements, prior to a Participant becoming an Insider, shall be excluded for purposes of calculating the Insider participation limits in Section 4.3(a) and (b).

(d) The maximum number of Shares issued to any one Participant within any one (1) year period under the Plan and all other Security Based Compensation Arrangements shall not exceed two percent (2%) of the Shares outstanding as at the commencement of such one (1) year period.

(e) The aggregate value of Awards granted under this Plan and all other Security Based Compensation Arrangements to any one Non-Executive Director in any one (1) year period shall not exceed CAD$150,000, of which no more than CAD$100,000 may comprise Options; provided that the foregoing limits shall not apply to (i) Awards granted in lieu of cash director fees, or (ii) a one-time initial grant made to a Non-Executive Director upon joining the Board.

**4.4 Minimum Price for Security Based Compensation other than Options.**

Where the value of an Award other than Options is initially tied to a price, the applicable price shall be determined by the Committee, in compliance with the TSX policies and Section 409A, and shall be specified in the Award Agreement, and shall not be less than the FMV. A minimum price cannot be

established unless the Awards are allocated to particular Persons.

**4.5 Hold Period and Escrow.**

All Awards and Shares issuable thereunder are subject to any applicable resale restrictions under Securities Laws and any applicable Exchange hold period, and shall have affixed thereto any legends required under Securities Laws and the policies of the Exchange.

**4.6 Other Restrictions.**

The Plan is subject to the following provisions:

(a) Awards shall not entitle a Participant to any shareholder rights (including, without limitation, voting rights, dividend entitlement or rights on liquidation) until such time as underlying Shares are issued to such Participant; provided, other than an accrual of dividends accepted by the Exchange;

(b) all Awards are non-assignable and non-transferable;

(c) if a Participant's heirs or administrators are entitled to any portion of an outstanding Award, the period in which they can make such claim shall not exceed one year from the Participant's death;

(d) for Awards granted or issued to Employees and Service Providers, the Company and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee or Service Provider, as the case may be; and

(e) any Award granted or issued to any Participant who is an Eligible Participant shall expire in accordance with the provisions of the Plan, but in any event, within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an Eligible Participant under the Plan.

**4.7 Blackout Periods.**

Notwithstanding the expiry date, redemption date or settlement date of any Award, such expiry date, redemption date or settlement date, as applicable, of the Award shall be extended to the tenth business day following the last day of a Blackout Period if the expiry date would otherwise occur in a Blackout Period. The following requirements are applicable to any such automatic extension provision:

(a) the Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information;

(b) the automatic extension of the expiry date, redemption date or settlement date, as applicable, of a Participant's Award is not to be permitted where the Participant or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities; and

(c) the automatic extension is available to all Eligible Participants under the Plan under the same terms and conditions.

Notwithstanding the foregoing in this Section 4.7, the expiry date, redemption date, or settlement date of any Award granted to a U.S. Participant shall not be extended if such extension would violate Section 409A.

**4.8 Adjustments in Authorized Shares.**

Subject to the approval of the Exchange, where applicable, in the event of any corporate event or transaction (collectively, a "**Corporate Reorganization**") (including, but not limited to, a change in the Shares or the capitalization of the Company) such as a merger, arrangement or amalgamation that does not constitute a Change of Control under Article 12, or a consolidation, reorganization, recapitalization, reclassification, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution (other than normal cash dividends) to shareholders of the Company, or any similar corporate event or transaction, the Committee shall make or provide for such adjustments or substitutions, as applicable, in the number and kind of Shares that may be issued under the Plan, the number and kind of Shares subject to outstanding Awards, the Option Price or FMV applicable to outstanding Awards, the number of Shares eligible to be issued hereunder, and any other value determinations applicable to outstanding Awards or to this Plan, as are equitably necessary to prevent dilution or enlargement of Participants' rights under the Plan that otherwise would result from such Corporate Reorganization, unless otherwise determined by the Board. In connection with a Corporate Reorganization, the Committee shall have the discretion to permit a holder of Options to purchase (at the times, for the consideration, and subject to the terms and conditions set out in this Plan) and the holder will then accept on the exercise of such Option, in lieu of the Shares that such holder would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that such holder would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, that holder had owned all Shares that were subject to the Option. Such adjustments shall be made automatically, without the necessity of Committee action, on the customary arithmetical basis in the case of any stock split, including a stock split effected by means of a stock dividend, and in the case of any other dividend paid in Shares.

The Committee may also, in its sole discretion, make appropriate adjustments in the terms of any Awards under the Plan as are equitably necessary to reflect such Corporate Reorganization and may modify any other terms of outstanding Awards, including modifications of performance criteria and changes in the length of Performance Periods. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under the Plan, provided that any such adjustments shall comply with Section 409A with respect to any U.S. Participants and the rules of any stock exchange, including but not limited to the Exchange, or market upon which such Shares are listed or traded.

Subject to prior approval of the Exchange, the provisions of Article 13 and any applicable law or regulatory requirement, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance, assumption, substitution or conversion of Awards under this Plan in connection with any such corporate event or transaction, upon such terms and conditions as it may deem appropriate. Additionally, the Committee may amend the Plan, or adopt supplements to the Plan, in such manner as it deems appropriate to provide for such issuance, assumption, substitution or conversion as provided in the previous sentence.

## ARTICLE 5
## ELIGIBILITY AND PARTICIPATION

### 5.1 Eligibility.

Any Eligible Participant of the Company or of any of its subsidiaries is eligible to participate in the Plan. Awards may be granted only to an individual or to a company that is wholly owned by individuals eligible to receive Awards.

### 5.2 Actual Participation.

Subject to the provisions of the Plan, the Committee may, from time to time, in its sole discretion select from among Eligible Participants of the Company or of any of its subsidiaries, those to whom Awards shall be granted under the Plan, and shall determine in its discretion the nature, terms, conditions and amount of each Award in accordance with the Plan.

## ARTICLE 6
## STOCK OPTIONS

### 6.1 Grant of Options.

Subject to the terms and provisions of the Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee in its discretion, and subject to the terms of the Plan.

### 6.2 Additional Terms for Options.

The following provisions apply to all Option Awards:

(a) Options can be exercisable for a maximum of 10 years from the date of grant, subject to extension where the expiry date falls within a Blackout Period, as provided for in Section 4.7; and

(b) shareholder approval pursuant to Section 613 of the TSX Company Manual shall be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Company at the time of the proposed amendment.

Notwithstanding the foregoing, an Option held by a U.S. Participant shall not have its exercise price reduced or have its term extended beyond the earlier of (a) the latest date on which the Option would have expired by its original terms, or (b) the 10th anniversary of the original date of grant of the Option; *provided* that the foregoing shall not apply unless the FMV of such Option on the date of such action to reduce its price or extend its term is equal to or greater than the Option's exercise price.

### 6.3 Award Agreement.

Each Option grant shall be evidenced by an Award Agreement that shall specify the Option Price, the duration of the Option, the number of Shares to which the Option pertains, the conditions upon which an Option shall become vested and exercisable, and any such other provisions as the Committee shall determine.

**6.4 Option Price.**

The Option Price for each grant of an Option under this Plan shall be determined by the Committee, subject to Section 409A and Section 6.7(f) for U.S. Participants, and shall be specified in the Award Agreement. The exercise price of an Option must not be less than the Market Price on the date of grant or, for so long as the Shares are listed and posted for trading on an Exchange, as may otherwise be permitted under the policies of such Exchange, for grants made to non-U.S. Participants.

**6.5 Duration of Options.**

Subject to Section 4.7 and Section 6.2(a), each Option granted to a Participant shall expire at such time as the Committee shall determine at the time of grant.

**6.6 Exercise of Options.**

Options granted under this Article 6 shall be exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee shall in each instance approve, which need not be the same for each grant or for each Participant. Without limiting the foregoing, the Committee may, in its sole discretion, permit the exercise of an Option through a net exercise (a "**Net Exercise**") mechanism, whereby Options are exercised without the Participant making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of underlying Shares equal to the quotient obtained by dividing:

(a) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options; by

(b) the VWAP of the underlying Shares.

Solely with respect to a U.S. Participant, Section 6.6(a) and (b) shall be read by replacing "VWAP" with "lesser of the VWAP and the FMV." For greater certainty, if the VWAP of the underlying Shares exceeds the FMV of the underlying Shares, then FMV will be the calculation method utilized for U.S. Participants.

In the event of Net Exercise, the number of Awards exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits set forth in Sections 4.1 and 4.3.

**6.7 Incentive Stock Options.**

(a) No Incentive Stock Option shall be granted under this Plan on or after the tenth (10th) anniversary of the earlier of the date on which this Plan was adopted by the Board or the date this Plan was approved by the shareholders of the Company.

(b) Incentive Stock Options may be granted only to U.S. Participants who are Employees of the Company or any ISO Entity.

(c) The aggregate number of Shares that may be issued under all Incentive Stock Options granted under the Plan will not exceed 9,299,458 as at the date of any Incentive Stock Option grant.

(d) To the extent that the aggregate FMV (determined at the time of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company and any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Non-Qualified Stock Options, notwithstanding any contrary provision of the applicable Award Agreement(s).

(e) Unless sooner exercised, all Incentive Stock Options shall expire and no longer be exercisable no later than 10 years after the date of grant; provided, however, that in the case of a grant of an Incentive Stock Option to a Participant who, at the time such Option is granted, owns (within the meaning of Section 422 of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of its Affiliates, such Incentive Stock Option shall expire and no longer be exercisable no later than five years from the date of grant.

(f) The exercise price for an Incentive Stock Option shall be not less than 100% of the FMV of a Share on the date of grant of the Incentive Stock Option; *provided*, however, that, in the case of the grant of an Incentive Stock Option to a U.S. Participant who, at the time such Option is granted, owns (within the meaning of Section 422 of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of its Affiliates, the exercise price for an Incentive Stock Option shall be not less than 110% of the FMV of a Share on the date of grant of the Incentive Stock Option.

(g) Any Incentive Stock Option authorized under the Plan shall contain such other provisions as the Committee shall deem advisable, but shall in all events be consistent with and contain all provisions required under TSX Company Manual and in order to qualify the Option as an Incentive Stock Option.

(h) This Section 6.7 shall be subject to approval by the shareholders of the Company within twelve months of adoption by the Board, and this Section 6.7 shall be effective as of the date of such shareholder approval.

**6.8 Payment.**

Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares. Subject to Section 6.6, the Option Price upon exercise of any Option shall be payable to the Company in full either: (a) by certified cheque or wire transfer; or (b) by any other method approved or accepted by the Committee in its sole discretion subject to the rules of the Exchange and such rules and regulations as the Committee may establish. Subject to Section 6.9 and any governing rules or regulations, as soon as practicable after receipt of a notification of exercise and full payment for the Shares, the Shares in respect of which the Option has been exercised shall be issued as fully-paid and non-assessable shares of the Company. As of the business day the Company receives such notice and such payment, the Participant (or the person claiming through him, as the case may be) shall be entitled to be

entered on the share register of the Company as the holder of the number of Shares in respect of which the Option was exercised and to receive as promptly as possible thereafter a certificate or evidence of book entry representing the said number of Shares. The Company shall cause to be delivered to or to the direction of the Participant Share certificates or evidence of book entry Shares in an appropriate amount based upon the number of Shares purchased under the Option(s) as soon as reasonably practicable following the issuance of such Shares.

**6.9 Restrictions on Share Transferability.**

The Committee may impose such restrictions on any Shares acquired pursuant to the exercise of an Option granted pursuant to this Plan as it may deem advisable, including, without limitation, requiring the Participant to hold the Shares acquired pursuant to exercise for a specified period of time, or restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed and/or traded. For greater certainty, Shares acquired pursuant to the exercise of an Award granted under this Plan are subject to any applicable resale restrictions under Securities Laws and any applicable Exchange hold period, and shall have affixed thereto any legends required under Securities Laws and the policies of the Exchange, which may impair the transferability of such Shares.

**6.10 Death and Termination of Employment.**

(a) Death: Unless otherwise determined by the Committee, if a Participant dies while an Eligible Participant of the Company or an Affiliate:

(i) the executor or administrator of the Participant's estate may exercise Options of the Participant equal to the number of Options that were exercisable at the Termination Date;

(ii) the right to exercise such Options terminates on the earlier of: (i) the date that is 12 months after the Termination Date; and (ii) the date on which the exercise period of the particular Option expires. Any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date; and

(iii) such Participant's eligibility to receive further grants of Options under the Plan ceases as of the Termination Date.

(b) Termination of Employment: Except as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause) or as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:

(i) other than where the Participant is terminated for Cause, any Options held by the Participant that are exercisable at the Termination Date continue to be exercisable by the Participant until the earlier of:

(A) the date which is 90 days after the Termination Date; and

(B) the date on which the exercise period of the particular Option expires,

except as otherwise provided in the Participant's employment contract or such date as is otherwise determined by the Board. Notwithstanding the foregoing or any term of an employment contract, in no event shall such right extend beyond the date on which the Option would otherwise expire or one year from the Termination Date;

(ii) where the Participant is terminated for Cause, any Options held by the Participant that are exercisable at the Termination Date shall be immediately cancelled and forfeited to the Company on the Termination Date for no consideration;

(iii) any Options held by the Participant that are not yet vested at the Termination Date immediately expire and are cancelled and forfeited to the Company on the Termination Date;

(iv) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate, as the case may be, provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date; and

(v) notwithstanding 6.10(b)(i) and 6.10(b)(ii) above, unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Options are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate.

**6.11 Non-transferability of Options.**

An Option granted under this Article 6 may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution.

## ARTICLE 7
## RESTRICTED SHARE UNITS

**7.1 Grant of Restricted Share Units.**

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Restricted Share Units to Participants in such amounts and upon such terms as the Committee shall determine. With respect to any Restricted Share Units awarded to a U.S. Participant, the Board shall structure the Restricted Share Unit so as to comply with, or be exempt from, Section 409A.

**7.2 Restricted Share Unit Agreement.**

Each Restricted Share Unit grant shall be evidenced by an Award Agreement that shall specify the Period(s) of Restriction, the number of Restricted Share Units granted, the settlement date for Restricted Share Units, and any such other provisions as the Committee shall determine, provided that, no Restricted Share Unit shall vest (i) earlier than one year, or (ii) later than three years after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 7.2 for a Participant who dies or who ceases to be an Eligible Participant under the Plan in connection with a Change of Control.

**7.3 Non-transferability of Restricted Share Units.**

The Restricted Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated or disposed of by the Participant, whether voluntarily or by operation of law, otherwise than by testate succession or the laws of descent and distribution, until the end of the applicable Period of Restriction specified in the Award Agreement and until the date of settlement through delivery or other payment, and any attempt to do so will cause such Restricted Share Units to be null and void. A vested Restricted Share Unit shall be redeemable only by the Participant and, upon the death of a Participant, the person to whom the rights shall have passed by testate succession or by the laws of descent and distribution may redeem any vested Restricted Share Units in accordance with the provisions of Section 7.7.

**7.4 Other Restrictions.**

The Committee shall impose, in the Award Agreement at the time of grant or anytime thereafter, such other conditions and/or restrictions on any Restricted Share Units granted pursuant to this Plan as it may deem advisable, including, without limitation, a requirement that Participants pay a stipulated purchase price for each Restricted Share Unit, restrictions based upon the achievement of specific performance criteria, time- based restrictions on vesting following the attainment of the performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Restricted Share Units.

To the extent deemed appropriate by the Committee, the Company may retain the certificates representing Shares delivered in settlement of Restricted Share Units, in the Company's possession until such time as all conditions and/or restrictions applicable to such Shares have been satisfied or lapse.

**7.5 Voting Rights.**

A Participant shall have no voting rights with respect to any Restricted Share Units granted hereunder.

**7.6 Dividends and Other Distributions.**

During the Period of Restriction, Participants holding Restricted Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards and will be subject to the limits set forth in Sections 4.1 and 4.3. In the event that the issuance of additional Awards would cause the Company to exceed the limits set forth in Sections 4.1 and 4.3, the Company shall pay such dividend or Dividend Equivalent in cash. Notwithstanding anything else in this Section 7.6, no cash dividends or Dividend Equivalents may be paid to a Participant prior to the vesting of the underlying Restricted Share Unit and any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

**7.7 Death and other Termination of Employment.**

(a) Death: Unless otherwise determined by the Committee, if a Participant dies while an Eligible Participant of the Company or an Affiliate:

(i) any Restricted Share Units held by the Participant that have not vested as at the Termination Date shall vest immediately;

(ii) any Restricted Share Units held by the Participant that have vested (including Restricted Share Units vested in accordance with Section 7.7(a)(i)) as at the Termination Date, shall be paid to the Participant's estate in accordance with the terms of the Plan and Award Agreement;

(iii) any settlement or redemption of any vested Restricted Share Units shall occur within 12 months following the Termination Date; and

(iv) such Participant's eligibility to receive further grants of Restricted Share Units under the Plan ceases as of the Termination Date.

(b) Termination other than Death: Unless otherwise determined by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause), where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:

(i) any Restricted Share Units held by the Participant that have vested before the Termination Date, irrespective of whether such Participant is terminated for cause, shall be paid to the Participant, and any Restricted Share Units held by the Participant that are not yet vested at the Termination Date, irrespective of whether such Participant is terminated for cause, will be immediately cancelled and forfeited to the Company on the Termination Date;

(ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date;

(iii) notwithstanding Section 7.7(b)(i), unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Restricted Share Units are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate;

(iv) other than where the Participant is terminated for Cause, any settlement or redemption of any Restricted Share Units shall occur within three months following the Termination Date; provided that, solely with respect to U.S. Participants and subject to Section 17.5(b) and Section 17.5(c), if such Termination Date occurs after December 15 of a given year, any settlement or

redemption of any Restricted Share Units shall in all events occur by the 15th day of the third month following such termination, provided that the U.S. Participant shall not be permitted, directly or indirectly, to designate the taxable year of the payment; and

(v) where the Participant is terminated for Cause, any Restricted Share Units held by the Participant that have not vested shall be immediately cancelled and forfeited to the Company on the Termination Date for no consideration.

**7.8 Payment in Settlement of Restricted Share Units.**

When and if Restricted Share Units become payable, the Participant issued such units shall be entitled to receive payment from the Company in settlement of such units of, in the Committee's discretion, cash or Shares (issued from treasury) of equivalent value (based on the FMV, as defined in the Award Agreement at the time of grant or thereafter by the Committee).

## ARTICLE 8
## DEFERRED SHARE UNITS

**8.1 Grant of Deferred Share Units.**

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Deferred Share Units to Participants in such amounts and upon such terms as the Committee shall determine, provided that, (i) no Deferred Share Unit shall vest earlier than one year after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 8.1 for a Participant who dies or who ceases to be an Eligible Participant under the Plan in connection with a Change of Control, (ii) any settlement or redemption of any vested Deferred Share Units shall only occur after the Termination Date, and (iii) solely with respect to U.S. Participants, Deferred Share Units shall only be granted to non-Employee Directors. With respect to any Deferred Share Units awarded to a U.S. Participant, the Board shall structure the Deferred Share Unit so as to comply with, or be exempt from, Section 409A.

**8.2 Deferred Share Unit Agreement.**

Each Deferred Share Unit grant shall be evidenced by an Award Agreement that shall specify the number of Deferred Share Units granted, the settlement date for Deferred Share Units, and any other provisions as the Committee shall determine, including, but not limited to a requirement that Participants pay a stipulated purchase price for each Deferred Share Unit, restrictions based upon the achievement of specific performance criteria, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which the Shares are listed or traded, or holding requirements or sale restrictions placed on any Shares by the Company upon vesting of such Deferred Share Units.

**8.3 Non-transferability of Deferred Share Units.**

The Deferred Share Units granted herein may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated. All rights with respect to the Deferred Share Units granted to a Participant under the Plan shall be available during such Participant's lifetime only to such Participant.

**8.4 Termination of Eligible Participants.**

Each applicable Award Agreement shall set forth the extent to which the Participant shall have the right to retain Deferred Share Units following termination of the Participant's employment or other relationship with the Company or Affiliates. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Deferred Share Units issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination. Any settlement or redemption of any vested Deferred Share Units shall occur within one year following the Termination Date; provided, that, solely with respect to U.S. Participants, any settlement or redemption of any vested Deferred Share Units, subject to Section 17.5(b) and Section 17.5(c), shall occur no later than December 31 of the year in which the termination occurs or, if such termination occurs within 2½ months before the end of the Participant's taxable year, no later than the 15th day of the third month following such termination, provided that the U.S. Participant shall not be permitted, directly or indirectly, to designate the taxable year of the payment. Notwithstanding the foregoing, in the event the Participant is terminated for Cause, all vested and unvested Deferred Share Units shall be immediately cancelled and forfeited to the Company on the Termination Date for no consideration, unless otherwise determined by the Committee on or before the Termination Date.

**8.5 Dividends and Other Distributions.**

Participants holding outstanding Deferred Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards and will be subject to the limits set forth in Sections 4.1 and 4.3. In the event that the issuance of additional Awards would cause the Company to exceed the limits set forth in Sections 4.1 and 4.3, the Company shall pay such dividend or Dividend Equivalent in cash. Notwithstanding anything else in this Section 8.5, no cash dividends or Dividend Equivalents may be paid to a Participant prior to the vesting of the underlying Deferred Share Unit and any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

## ARTICLE 9
## PERFORMANCE SHARE UNITS

**9.1 Grant of Performance Share Units.**

Subject to the terms and conditions of the Plan, the Committee, at any time and from time to time, may grant Performance Share Units to Participants in such amounts and upon such terms as the Committee shall determine, provided that, no Performance Share Units shall vest earlier than one year after the date of grant, except that the Committee may in its sole discretion accelerate the vesting required by this Section 9.1 for a Participant who dies or who ceases to be an Eligible Participant under the Plan in connection with a Change of Control. With respect to any Performance Share Units awarded to a U.S. Participant, the Board shall structure the Performance Share Unit so as to comply with, or be exempt

from, Section 409A.

**9.2 Value of Performance Share Units.**

Each Performance Share Unit shall have an initial value equal to the FMV of a Share on the date of grant. The Committee shall set performance criteria for a Performance Period in its discretion, which, depending on the extent to which they are met, will determine, in the manner determined by the Committee and set forth in the Award Agreement, the value and/or number of each Performance Share Unit that will be paid to the Participant.

**9.3 Earning of Performance Share Units.**

Subject to the terms of this Plan and the applicable Award Agreement, after the applicable Performance Period has ended, the holder of Performance Share Units shall be entitled to receive payout on the value and number of Performance Share Units, determined as a function of the extent to which the corresponding performance criteria have been achieved. Notwithstanding the foregoing, the Company shall have the ability to require the Participant to hold any Shares received pursuant to such Award for a specified period of time.

**9.4 Form and Timing of Payment of Performance Share Units.**

Payment of vested Performance Share Units shall be as determined by the Committee and as set forth in the Award Agreement. Subject to the terms of the Plan, and in the Committee's discretion, the Company will pay vested Performance Share Units in the form of cash or Shares issued from treasury equal to the value of the vested Performance Share Units at the end of the applicable Performance Period. Any Shares may be issued subject to any restrictions deemed appropriate by the Committee.

**9.5 Dividends and Other Distributions.**

During the Period of Restriction, Participants holding Performance Share Units granted hereunder may, if the Committee so determines, be credited with dividends paid with respect to the underlying Shares or Dividend Equivalents while they are so held in accordance with the Plan and otherwise in such a manner determined by the Committee in its sole discretion. Dividend Equivalents shall not apply to an Award unless specifically provided for in the Award Agreement. The Committee may apply any restrictions to the dividends or Dividend Equivalents that the Committee deems appropriate. The Committee, in its sole discretion, may determine the form of payment of dividends or Dividend Equivalents, including cash, Shares and Awards, provided that any Dividend Equivalents paid in the form of additional Awards shall reduce the applicable pool of Shares available for issuance of Awards and will be subject to the limits set forth in Sections 4.1 and 4.3. In the event that the issuance of additional Awards would cause the Company to exceed the limits set forth in Sections 4.1 and 4.3, the Company shall pay such dividend or Dividend Equivalent in cash. Notwithstanding anything else in this Section 9.5, no cash dividends or Dividend Equivalents may be paid to a Participant prior to the vesting of the underlying Performance Share Unit and any additional Awards credited to the Participant's account in satisfaction of payment of dividends or Dividend Equivalents will vest in proportion to and will be paid under the Plan in the same manner as the Awards to which they relate.

**9.6 Death and other Termination of Employment.**

(a) Death: Unless otherwise determined by the Committee, if a Participant dies while an

Eligible Participant of the Company or an Affiliate:

(i) the number of Performance Share Units held by the Participant that have not vested shall be adjusted as set out in the applicable Award Agreement (collectively referred to in this Section 9.6 as "**Deemed Awards**");

(ii) any Deemed Awards shall vest immediately;

(iii) any Performance Share Units held by the Participant that have vested (including Deemed Awards vested in accordance with Section 9.6(a)(ii)) shall be paid to the Participant's estate in accordance with the terms of the Plan and Award Agreement;

(iv) any settlement or redemption of any Performance Share Units shall occur within 12 months following the Termination Date, or, with respect to a U.S. Participant, no later than December 31 of the year in which the Termination Date occurs or, if such Termination Date occurs within 2½ months before the end of the Participant's taxable year, no later than the 15th day of the third month following such Termination Date; and

(v) such Participant's eligibility to receive further grants of Performance Share Units under the Plan ceases as of the Termination Date.

(b) Termination other than Death: Unless otherwise determined by the Committee, or as may otherwise be set out in a Participant's employment agreement (which shall have paramountcy over this clause), where a Participant's employment or term of office or engagement terminates for any reason other than death (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice) including disability, then:

(i) any Performance Share Units held by the Participant that have vested before the Termination Date, irrespective of whether such Participant is terminated for cause, shall be paid to the Participant in accordance with the terms of the Plan and Award Agreement, and any Performance Share Units held by the Participant that are not yet vested at the Termination Date, irrespective of whether such Participant is terminated for cause, will be immediately cancelled and forfeited to the Company on the Termination Date;

(ii) the eligibility of a Participant to receive further grants under the Plan ceases as of the date that the Company or an Affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated, notwithstanding that such date may be prior to the Termination Date;

(iii) notwithstanding Section 9.6(b)(i), unless the Committee, in its sole discretion, otherwise determines, at any time and from time to time, Performance Share Units are not affected by a change of employment arrangement within or among the Company or an Affiliate for so long as the Participant continues to be an employee of the Company or an Affiliate;

(iv) other than where the Participant is terminated for Cause, any settlement or redemption of any Performance Share Units shall occur within three months following the Termination Date, provided that, solely with respect to U.S. Participants and subject to Section 17.5(b) and Section 17.5(c), if such Termination Date occurs after December 15 of a given year, any settlement or redemption of any Performance Share Units shall in all events occur by the 15th day of the third month following such termination, provided that the U.S. Participant shall not be permitted, directly or indirectly, to designate the taxable year of the payment; and

(v) where the Participant is terminated for Cause, any Performance Share Units held by the Participant that have not vested shall be immediately cancelled and forfeited to the Company on the Termination Date for no consideration.

**9.7 Non-transferability of Performance Share Units.**

Performance Share Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, a Participant's rights under the Plan shall inure during such Participant's lifetime only to such Participant.

## ARTICLE 10
## BENEFICIARY DESIGNATION

**10.1 Beneficiary.**

A Participant's "beneficiary" is the person or persons entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of the Participant's death. A Participant may designate a beneficiary or change a previous beneficiary designation at such times as prescribed by the Committee and by using such forms and following such procedures approved or accepted by the Committee for that purpose. If no beneficiary designated by the Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at the Participant's death, the beneficiary shall be the Participant's estate.

**10.2 Discretion of the Committee.**

Notwithstanding the provisions above, the Committee may, in its discretion, after notifying the affected Participants, modify the foregoing requirements, institute additional requirements for beneficiary designations, or suspend the existing beneficiary designations of living Participants or the process of determining beneficiaries under this Article 10, or both, in favor of another method of determining beneficiaries.

## ARTICLE 11
## RIGHTS OF PERSONS ELIGIBLE TO PARTICIPATE

**11.1 Employment.**

Nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or an Affiliate to terminate any Participant's employment, consulting or other service relationship with the Company or an Affiliate at any time, nor confer upon any Participant any right to

continue in the capacity in which he or she is employed or otherwise serves the Company or an Affiliate.

Neither an Award nor any benefits arising under this Plan shall constitute part of an employment or service contract with the Company or an Affiliate, and, accordingly, subject to the terms of this Plan, this Plan may be terminated or modified at any time in the sole and exclusive discretion of the Committee or the Board without giving rise to liability on the part of the Company or an Affiliate for severance payments or otherwise, except as provided in this Plan.

For purposes of the Plan, unless otherwise provided by the Committee, a transfer of employment of a Participant between the Company and an Affiliate or among Affiliates, shall not be deemed a termination of employment. The Committee may provide in a Participant's Award Agreement or otherwise the conditions under which a transfer of employment to an entity that is spun off from the Company or an Affiliate shall not be deemed a termination of employment for purposes of an Award.

**11.2 Participation.**

No Employee or other Person eligible to participate in the Plan shall have the right to be selected to receive an Award. No person selected to receive an Award shall have the right to be selected to receive a future Award, or, if selected to receive a future Award, the right to receive such future Award on terms and conditions identical or in proportion in any way to any prior Award.

**11.3 Rights as a Shareholder.**

A Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the record holder of such Shares.

## ARTICLE 12
## CHANGE OF CONTROL

**12.1 Accelerated Vesting and Payment.**

Subject to the provisions of Section 12.2 and Section 17.5 or as otherwise provided in the Plan or the Award Agreement, in the event of a Change of Control, the Committee shall have the discretion to deal with any or all outstanding Awards (or any portion thereof) in the manner it deems fair and reasonable in the circumstances of the Change of Control. Without limiting the generality of the foregoing, in connection with a Change of Control, the Committee shall have the right to unilaterally, among other things:

(a) cancel any outstanding Awards, and determine that the value of such Awards, as determined by the Committee in accordance with the terms of the Plan and the Award Agreements, shall be paid out in cash in an amount based on the Change of Control Price within a reasonable time subsequent to the Change of Control, subject to the approval of the Exchange. With respect to proceeds from the Change of Control that are subject to delayed payment, such as due to escrows, earn outs or payments pursuant to a promissory note, payment to a U.S. Participant shall be made on the same schedule and under the same terms and conditions as apply to payments made to the shareholders generally in connection with the Change of Control and all such payment(s) shall be paid not later than 5 years after the Change of Control unless any such amounts remain subject to a substantial risk of forfeiture for purposes of Section 409A at that time. In the event that amounts are subject to such a substantial risk of forfeiture at the end of such 5 year

period, such amounts shall be paid as soon as reasonably practicable after the substantial risk of forfeiture lapses, but in no event later than March 15th of the year following the year in which such substantial risk of forfeiture lapses. It is the intention of the parties that any portion of a U.S. Participant's payment that is attributable to earn out proceeds be considered an amount subject to a substantial risk of forfeiture (as determined under Section 409A of the Code);

(b) cancel any unvested Options (or any portions thereof) without payment of any kind to any Participant;

(c) accelerate the vesting of outstanding Awards (or any portion thereof) to provide that, notwithstanding the vesting schedule or any other provision of an Award Agreement relating to the vesting of Awards, such outstanding Awards shall be fully vested upon (or prior to) the completion of the Change of Control. If the Committee elects to accelerate the vesting of any Options, the Committee may determine that if any of such Options are not exercised within ten days following the Company giving notice to the Option holders thereof, such unexercised Options shall terminate and expire immediately prior to the completion of the proposed Change of Control. For greater certainty, no Award granted or issued under this plan, other than Options, may vest before the date that is one year following the date it is granted or issued. However, vesting may be accelerated by the Committee in its sole discretion for Awards held by a Participant who dies or who ceases to be an Eligible Participant under this Plan in connection with a Change of Control; or

(d) take such other actions, and combinations of the foregoing actions or any other actions permitted under this Section 12.1, as it deems fair and reasonable under the circumstances.

**12.2 Alternative Awards.**

Notwithstanding Section 12.1, no cancellation, acceleration of vesting, lapsing of restrictions or payment of an Award shall occur with respect to any Award if the Committee determines, in its sole discretion, prior to the occurrence of a Change of Control that such Award shall be honored or assumed, or new rights substituted therefor (with such honored, assumed or substituted Award hereinafter referred to as an "**Alternative Award**") by any successor to the Company or an Affiliate as described in Article 15; provided, however, that any such Alternative Award must:

(a) be based on stock which is traded on a recognized stock exchange;

(b) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award, including, but not limited to, an identical or better exercise or vesting schedule (including vesting upon termination of employment) and identical or better timing and methods of payment;

(c) recognize, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control;

(d) provide for similar eligibility requirements for such Alternative Award as provided for in the Plan; and

(e) have substantially equivalent economic value to such Award (determined prior to the time of the Change of Control).

## ARTICLE 13
## AMENDMENT, MODIFICATION, SUSPENSION AND TERMINATION

### 13.1 Amendment, Modification, Suspension and Termination.

(a) Except as set out in clause (b) below, and as otherwise provided by law or Exchange rules, the Committee or Board may, at any time and from time to time, alter, amend, modify, suspend or terminate the Plan or any Award in whole or in part without notice to, or approval from, shareholders of the Company.

(b) The following amendments to the Plan shall require prior approval of the Company's shareholders, including on a disinterested basis, where required pursuant to the rules and policies of the Exchange:

(i) increasing the number of Shares reserved for issuance under the Plan, except pursuant to the provisions under Section 4.8 which permit the Board to make equitable adjustments in the event of transactions affecting the Company or its capital;

(ii) increasing or removing the limits on the percentage of Shares issuable to Insiders under the Plan as set out in Section 4.3;

(iii) a reduction in the exercise price or purchase price or extension of term of any Award granted to a Participant pursuant to this Plan;

(iv) a cancellation of an Award and the replacement of such Award with an Award with a lower exercise price or other entitlements;

(v) permitting an Award granted under the Plan to be transferred or assigned, other than as permitted pursuant to the provisions of the Plan;

(vi) any amendment to the amendment provisions of the Plan under this Section 13.1; and

(vii) if required to be approved by shareholders under applicable law or requirements of the Exchange.

### 13.2 Adjustment of Awards Upon the Occurrence of Unusual or Nonrecurring Events.

Subject to the approval of the Exchange, the Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events in addition to the events described in Section 4.8 hereof affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and

binding on Participants under the Plan.

**13.3 Awards Previously Granted.**

Notwithstanding any other provision of the Plan to the contrary, no termination, amendment, suspension or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

## ARTICLE 14
## WITHHOLDING

**14.1 Withholding.**

The Company or any Affiliate shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company or any Affiliate, an amount sufficient to satisfy federal, provincial, municipal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising from or as a result of this Plan or any Award hereunder. The Committee may provide for Participants to satisfy withholding requirements by having the Company withhold and sell Shares or the Participant making such other arrangements, including the sale of Shares, in either case on such conditions as the Committee specifies.

**14.2 Acknowledgement.**

Participant acknowledges and agrees that the ultimate liability for all taxes legally payable by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company. Participant further acknowledges that the Company: (a) makes no representations or undertakings regarding the treatment of any taxes in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate Participant's liability for taxes or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction, Participant acknowledges that the Company may be required to withhold or account for taxes in more than one jurisdiction.

It is the Participant's responsibility to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of taxable benefits derived from the exercise or settlement of an Award.

## ARTICLE 15
## SUCCESSORS

Rights and obligations under the Plan may be assigned by the Company (without the consent of Participants) to a successor in the business of the Company, any company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any company acquiring all or substantially all of the assets or business of the Company. Any obligations of the Company or an Affiliate under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or Affiliate, respectively, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the businesses and/or assets of the Company or Affiliate, as applicable.

## ARTICLE 16
## GENERAL PROVISIONS

### 16.1 Forfeiture Events.

Without limiting in any way the generality of the Committee's power to specify any terms and conditions of an Award consistent with law, and for greater clarity, the Participant's rights, payments and benefits with respect to an Award shall, at the sole discretion of the Committee, be subject to reduction, cancellation, forfeiture of any vested and unvested Awards or recoupment of any payments or settlements made in the current Fiscal Year or immediately prior Fiscal Year (provided such determination is made within 45 days of the end of that Fiscal Year) upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such specified events shall include, but shall not be limited to, any of: (a) the Participant's failure to accept the terms of the Award Agreement, violation of material Company and Affiliate policies, breach of non-competition, confidentiality, non-solicitation, non-interference, corporate property protection or other agreements that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company and Affiliates; (b) the Participant's misconduct, fraud, gross negligence; and (c) the restatement of the financial statements of the Company that resulted in Awards which should not have vested, settled, or been paid had the original financial statements been properly stated. Except as expressly otherwise provided in this Plan or an Award Agreement, the termination and the expiry of the period within which an Award will vest and may be exercised by a Participant shall be based upon the last day of actual service by the Participant to the Company and specifically does not include any period of notice that the Company may be required to provide to the Participant under applicable employment law.

### 16.2 Legend.

The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares, and shall have affixed thereto any legends required under Securities Laws and the policies of the Exchange as applicable.

### 16.3 Delivery of Title.

The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:

(a) obtaining any approvals from governmental agencies or securities exchanges, including but not limited to the Exchange, that the Company determines are necessary or advisable; and

(b) completion of any registration or other qualification of the Shares under any applicable law or ruling of any governmental body or securities exchange, including but not limited to the Exchange, that the Company determines to be necessary or advisable.

### 16.4 Investment Representations.

The Committee may require each Participant receiving Shares pursuant to an Award under this Plan to represent and warrant in writing that the Participant is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

**16.5 Uncertificated Shares.**

To the extent that the Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis to the extent not prohibited by applicable law or the rules of any applicable stock exchange.

**16.6 Unfunded Plan.**

Participants shall have no right, title or interest whatsoever in or to any investments that the Company or an Affiliate may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company or an Affiliate and any Participant, beneficiary, legal representative or any other person. Awards shall be general unsecured obligations of the Company, except that if an Affiliate executes an Award Agreement instead of the Company the Award shall be a general unsecured obligation of the Affiliate and not any obligation of the Company. To the extent that any individual acquires a right to receive payments from the Company or an Affiliate, such right shall be no greater than the right of an unsecured general creditor of the Company or Affiliate, as applicable. All payments to be made hereunder shall be paid from the general funds of the Company or Affiliate, as applicable, and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan.

**16.7 No Fractional Shares.**

No fractional Shares shall be issued or delivered pursuant to the Plan or any Award Agreement. In such an instance, unless the Committee determines otherwise, fractional Shares and any rights thereto shall be forfeited or otherwise eliminated.

**16.8 Other Compensation and Benefit Plans.**

Nothing in this Plan shall be construed to limit the right of the Company or an Affiliate to establish other compensation or benefit plans, programs, policies or arrangements. Except as may be otherwise specifically stated in any other benefit plan, policy, program or arrangement, no Award shall be treated as compensation for purposes of calculating a Participant's rights under any such other plan, policy, program or arrangement.

**16.9 No Constraint on Corporate Action.**

Nothing in this Plan shall be construed (i) to limit, impair or otherwise affect the Company's or an Affiliate's right or power to make adjustments, reclassifications, reorganizations or changes in its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets, or (ii) to limit the right or power of the Company or an Affiliate to take any action which such entity deems to be necessary or appropriate.

**16.10 Compliance with Canadian Securities Laws.**

All Awards and the issuance of Shares underlying such Awards issued pursuant to the Plan will be issued pursuant to an exemption from the prospectus requirements of Canadian securities laws where applicable.

**16.11 Compliance with United States Securities Laws.**

Neither the Awards nor the securities which may be acquired pursuant to the exercise of the Awards have been registered under the U.S. Securities Act or under any securities law of any state of the United States of America and are considered "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act), and any Shares shall be affixed with an applicable restrictive legend as set forth in the Award Agreement. The Awards may not be offered or sold, directly or indirectly, in the United States except pursuant to registration under the U.S. Securities Act and the securities laws of all applicable states or available exemptions therefrom, and the Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of any of the Awards or the securities underlying the Awards. Each U.S. Award Holder or anyone who becomes a U.S. Award Holder, who is granted an Award in the United States, who is a resident of the United States or who is otherwise subject to the Securities Act or the securities laws of any state of the United States will be required to complete an Award Agreement which sets out the applicable United States restrictions.

**16.12 California Participants.**

Notwithstanding anything to the contrary in any section within the Plan itself, the following limitations and requirements will apply to Awards issued to an Eligible Participant in reliance on Section 25102(o) of the California Corporations Code (each, a "**California Participant**").

(a) The following rules shall apply to any Option in the event of termination of the Participant's service to the Company or an affiliate:

(i) If such termination was for reasons other than death, "Permanent Disability" (as defined below), or cause, the Participant shall have at least 30 days after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Award Agreement.

(ii) If such termination was due to death or Permanent Disability, the Participant shall have at least 6 months after the date of such termination to exercise his or her Option to the extent the Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Award Agreement.

"**Permanent Disability**" for purposes of this Section 16.12 shall mean the inability of the Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the Participant's position with the Company or any Affiliate because of the sickness or injury of the Participant.

(b) **Shareholder Approval / Grant Limitations** – The Company will not grant Awards to California Participants unless:

(i) the Company is a foreign private issuer, as defined by Rule 3b-4 of the U.S. Exchange Act of 1934, as amended, on the grant date of the Award to a California Participant, and the aggregate number of persons in California granted awards under all compensation plans and agreements and issued

securities under all purchase and bonus plans and agreements of the Company does not exceed 35;

(ii) prior to or within 12 months of the granting of the first Award to a California Participant under the Plan, the Plan is approved by a majority of the Company's outstanding securities entitled to vote, not counting for the purpose of calculating such vote any securities issued upon exercise or vesting of Awards granted in California; or

(iii) such grant occurs on or before the tenth (10th) anniversary of the Effective Date of this Plan.

Awards granted prior to security holder approval of the Plan shall be rescinded if such security holder approval is not received in the manner described in Section 16.12(b).

(c) The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of applicable law, at least annually to each Participant in California during the period such Participant has one or more Awards outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such Participant owns such Shares; provided, however, the Company shall not be required to provide such information if (i) the issuance is limited to key persons whose duties in connection with the Company assure their access to equivalent information or (ii) the Plan or any agreement complies with all conditions of Rule 701 of the U.S Securities Act; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

Notwithstanding the foregoing, nothing in this Section 16.12 shall supersede or negate compliance with the policies of the Exchange.

**16.13 Recoupments for Restatements.**

Notwithstanding any other language in this Plan to the contrary, the Company may recoup all or any portion of any shares or cash paid to a Participant in connection with an Award, in the event of a restatement of the Company's financial statements as set forth in the Company's clawback policy, if any, approved by the Board from time to time.

**16.14 No Repricing of Options.**

The Board may not "reprice" any Option without shareholder approval. For purposes of this Subsection 16.14, "reprice" means any of the following or any other action that has the same effect: (a) amending a Option to reduce its exercise price or base price, (b) canceling a Option or SAR at a time when its exercise price or base price exceeds the Market Price of a Share in exchange for cash or a Option, SAR, award of Restricted Stock or other equity award, or (c) taking any other action that is treated as a repricing under generally accepted accounting principles, provided that nothing in this Section 16.14 shall prevent the Board or the Committee from making adjustments in accordance with the Plan terms.

**16.15 No Acceleration.**

With respect to any Award held by a U.S. Participant that is subject to Section 409A, the acceleration of the time or schedule of any payment except as provided under the Plan is prohibited, except as provided in or permitted by regulations and administrative guidance promulgated under Section 409A.

## ARTICLE 17
## LEGAL CONSTRUCTION

**17.1 Gender and Number.**

Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

**17.2 Severability.**

In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

**17.3 Requirements of Law.**

The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or securities exchanges as may be required. The Company or an Affiliate shall receive the consideration required by law for the issuance of Awards under the Plan. The inability of the Company or an Affiliate to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company or an Affiliate to be necessary for the lawful issuance and sale of any Shares hereunder, shall relieve the Company or Affiliate of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

**17.4 Governing Law.**

The Plan and each Award Agreement shall be governed by the laws of the Province of British Columbia excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan to the substantive law of another jurisdiction.

**17.5 Compliance with Section 409A.**

(a) With respect to U.S. Participants, it is intended that this Plan and any Awards made hereunder shall not provide for the payment of "deferred compensation" within the meaning of Section 409A or shall be structured in a manner and have such terms and conditions that would not cause such a U.S. Participant to be subject to taxes and interest pursuant to Section 409A. This Plan and any Awards made hereunder shall be administrated and interpreted in a manner consistent with this intent.

(b) To the extent that any amount or benefit in favour of a U.S. Participant would constitute "deferred compensation" for purposes of Section 409A would otherwise be payable or distributable under this Plan or any Award Agreement by reason of the occurrence of a Change of Control or the U.S. Participant's disability or separation from service, such

amount or benefit will not be payable or distributable to the U.S. Participant by reason of such circumstance unless: (i) the circumstances giving rise to such Change of Control, disability or separation from service meet the description or definition of "change in control event," "disability," or "separation from service," as the case may be, in Section 409A and applicable proposed or final treasury regulations thereunder, and (ii) the payment or distribution of such amount or benefit would otherwise comply with Section 409A and not subject the U.S. Participant to taxes and interest pursuant to Section 409A. This provision does not prohibit the vesting of any Award or the vesting of any right to eventual payment or distribution of any amount or benefit under this Plan or any Award Agreement. For the sake of clarity, to the extent any Award is subject to Section 409A, then all payments to be made upon a U.S. Participant's termination date shall only be made upon a Separation from Service.

(c) If on the date of the U.S. Participant's separation from service the Company's shares (or shares of any other company that is required to be aggregated with the Company in accordance with the requirements of Section 409A) is publicly traded on an established securities market or otherwise and the U.S. Participant is a Specified Employee, then the benefits payable to the U.S. Participant under the Plan that are payable due to the U.S. Participant's Separation from Service, to the extent subject to Section 409A, shall be postponed until the date that is six months following the U.S. Participant's Separation from Service, or, if earlier, the U.S. Participant's death. Following any applicable six month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A.

(d) If any provision of the Plan, an Award Agreement or any Award issued to a U.S. Participant contravenes Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Section 409A, the Board may, in its sole discretion and without the U.S. Participant's consent, modify such provision to the minimum extent necessary to: (a) comply with, or avoid being subject to, Section 409A, or to avoid incurring taxes, interest and penalties under Section 409A; and/or (b) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Company or contravening Section 409A.

(e) Notwithstanding anything to the contrary in the Plan or otherwise, the Board shall retain the power and authority to amend or modify this Plan to the extent the Board in its sole discretion deems necessary or advisable to comply with any guidance issued under Section 409A. Such amendments may be made without the approval of any U.S. Participant.

(f) The Company shall have no obligation to modify the Plan or any Award and does not guarantee that Awards will not be subject to taxes, interest and penalties under Section 409A. Each U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such U.S. Participant in connection with the Plan or any Award granted thereunder (including any taxes and penalties under Section 409A), and none of the Company or any of its Affiliates shall have any obligation to indemnify or otherwise hold such U.S. Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

(g) The Committee shall use its reasonable discretion to determine the extent to which the provisions of this Section 17.5 will apply to a Participant who is subject to taxation under the ITA.

Notwithstanding the foregoing, nothing in this Section 17.5 shall supersede or negate compliance with the policies of the Exchange.

## Schedule “C”

## Audit Committee Charter

See attached.

**AUDIT COMMITTEE CHARTER**

**SANTACRUZ SILVER MINING LTD.**
(the "**Company**")

**The Audit Committee's Charter**

*Purpose*

The primary function of the Audit Committee (the "**Committee**") is to assist the Company's Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting, and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

(a) Serve as an independent and objective party to monitor the Company's financial reporting and internal control systems and review the Company's financial statements.

(b) Review and appraise the performance of the Company's external auditors.

(c) Provide an open avenue of communication among the Company's auditors, financial and senior management, and the Board.

*Composition of the Audit Committee*

The Committee will be comprised of at least three directors as determined by the Board, each of whom will be independent within the meaning of National Instrument 52-110 – *Audit Committees*, Rule 10A-3 under the United States Securities Exchange Act of 1934, as amended, and the Listing Rules of The Nasdaq Stock Market LLC.

At least one member of the Committee will have Canadian financial reporting skills and experience with audit engagements for public companies. All members of the Committee will be financially literate. For the purposes of this Audit Committee Charter (the "**Charter**"), the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee will be elected by the Board from time to time. Unless a chairperson of the Committee (the "**Chair**") is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair must have Canadian financial reporting skills and experience with audit engagements for public companies.

*Meetings*

The Committee will meet at least once per financial quarter, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

*Authority*

The Committee will have the authority to:

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

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

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

The Company will provide appropriate funding, as determined by the Committee, for payment of compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit review or attest services for the Company, to any advisors employed by the Committee, and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

*Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee will:

Documents/Reports Review

(a) Review and update this Charter annually.

(b) Review the Company's financial statements, management's discussion and analysis and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

(c) Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in paragraph (b) above, and periodically assess the adequacy of those procedures.

External Auditors

(a) Review annually, the performance of the external auditors who will be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.

(b) Oversee the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.

(c) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, in accordance with any applicable regulatory requirements.

(d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(e) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.

(f) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval, and the compensation of the external auditors.

(g) At least annually, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements, and discuss any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

(h) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

(i) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(j) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

(ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

(iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

<u>Financial Reporting Processes</u>

(a) Review the draft financial statements and management’s discussion and analysis with respect to each reporting period and provide a recommendation to the Board with

respect to the approval of the financial statements and management's discussion and analysis.

(b) Prior to approving the annual financial statements, review the results of management's evaluation of the effectiveness of the Company's internal controls over financial reporting and disclosure controls and procedures as at the date of the Company's annual financial statements.

(c) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

(d) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

(e) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

(f) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

(g) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(h) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

(i) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(j) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(k) Review certification process.

(l) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

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