TSX: NEO.TO | OTCQX: NOPMF

neo Performance Materials

Notice of Annual General & Special Meeting of The Shareholders And Management Information Circular

WEDNESDAY, JUNE 17, 2026
4:00 P.M. (TORONTO TIME)

VOTE TODAY

TO BE HELD AT:
199 BAY STREET
SUITE 5300,
TORONTO, ONTARIO
CANADA

These materials are important and require your immediate attention. They require shareholders of Neo Performance Materials Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your professional advisors. Shareholders with questions regarding voting their shares should contact Neo's proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

NEO PERFORMANCE MATERIALS INC.
NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Common Shares**") of Neo Performance Materials Inc. (the "**Company**") will be held at 199 Bay Street, Suite 5300, Toronto, Ontario, on Wednesday, June 17, 2026 at 4:00 p.m. (Toronto time) for the following purposes:

1. to receive the annual report and the financial statements for the year ended December 31, 2025 and the report of the auditors thereon;
2. to elect directors;
3. to re-appoint auditors and to authorize the directors to fix their remuneration;
4. to consider, and if deemed advisable, pass an ordinary resolution, with or without amendment, the full text of which is attached as Appendix "C" to the accompanying Circular, approving, ratifying and confirming amendments to the Company's Amended and Restated Omnibus Long-Term Incentive Plan (see "*Matters to be Acted Upon – Approval of Amendments to the Omnibus LTIP*" in the Circular);
5. to consider, and if deemed advisable, pass an ordinary resolution, with or without amendment, the full text of which is attached as Appendix "D" to the accompanying Circular, reconfirming and approving the Company's Second Amended and Restated Shareholder Rights Plan Agreement (see "*Matters to be Acted Upon – Reconfirmation and Approval of the Second A&R Rights Plan*" in the Circular); and
6. to transact such further and other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

A form of proxy solicited by management of the Company in respect of the Meeting is enclosed herewith.

The Company strongly encourages registered Shareholders and proxyholders to vote using one of the methods described in the accompanying management information circular (the "**Information Circular**"). To facilitate shareholders attending the Meeting, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on June 17, 2026 and can be accessed by conference call at (416) 945-7677 (Toronto local) or 1 (888) 699-1199 (North America toll free) or online by webcast at https://emportal.ink/3PX8rPv and indicate you are dialing into the Neo Annual General & Special Shareholder Meeting. This call will be listen-only and shareholders will not be able to vote or speak, or otherwise participate in the Meeting via the conference call.

Shareholders are requested to sign the enclosed form of proxy and return it in the envelope provided for that purpose. To be effective, the form of proxy must be received at the offices of Computershare Trust Company of Canada, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6 or via internet at www.investorvote.com or by telephone at the toll-free number printed on the form of proxy **by not later than 4:00 p.m. (Toronto time) on Monday, June 15, 2026** or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned or postponed Meeting, or in either case by such later date and time as the Board may determine in its sole discretion. The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

If you have any questions or need assistance voting your Common Shares, please contact the Company's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

DATED this 13th day of May, 2026.

By Order of the Board

/s/ "*Edgar Lee*"

Chair of the Board of Directors

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NEO PERFORMANCE MATERIALS INC.
MANAGEMENT INFORMATION CIRCULAR

This Information Circular is furnished to Shareholders in connection with the solicitation of proxies by the management of the Company for use at the Meeting and any adjournment(s) or postponement(s) thereof.

Unless otherwise noted or the context otherwise requires, all information provided in this Information Circular is given as of May 13, 2026 and references to the “Company” or “Neo” refer to Neo Performance Materials Inc., its direct and indirect subsidiaries and other entities controlled by them. Unless otherwise indicated, all dollar amounts in this Information Circular are expressed in U.S. dollars. The word “dollar” and the symbol “$” or “U.S.$” refer to the U.S. dollar and the symbol “C$” refers to the Canadian dollar.

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

The registered office of the Company is located at Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9.

Shareholders with questions regarding voting their Common Shares should contact Neo’s proxy solicitation agent and shareholder communications advisor, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting “INFO” to either number, or by email at assistance@laurelhill.com.

Forward Looking Information

Certain statements in the Information Circular constitute “forward-looking information”. The words “scheduled”, “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking information.

Forward-looking information is based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Company's business guidance, objectives, plans and strategic priorities will be achieved.

Many factors could cause the Company's actual results or affairs to materially differ from those expressed or implied by the forward-looking information, including, without limitation, the factors discussed in the "Risk Factors" section of the Company's Annual Information Form dated March 19, 2026 for the year ended December 31, 2025, which is incorporated by reference in this cautionary statement and a copy of which can be accessed online from the Company's website at www.neomaterials.com and on SEDAR+ at www.sedarplus.ca. Although these factors are not intended to represent a complete list of factors that could affect the Company, they should be considered carefully. The forward-looking information contained in this Information Circular is made as of the date of this Information Circular, and the Company has no intention and undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities regulations. The forward-looking information contained in this Information Circular is expressly qualified by this cautionary statement. We caution readers not to rely on the forward-looking information contained in this Information Circular when making investment decisions regarding the Company's securities.

PART I
GENERAL PROXY MATERIALS

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by and on behalf of the management of the Company of proxies to be used at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment(s) or postponement(s) thereof. The solicitation of proxies will be primarily by mail but proxies may be solicited personally or by telephone by directors, officers or regular employees of the Company. Laurel Hill Advisory Group will be acting as proxy solicitation agent for the Company to solicit proxies for the Meeting. If you have any questions or require more information about how to vote your shares, please contact the Company's proxy solicitation agent, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

In connection with its services, the Company will pay Laurel Hill Advisory Group a fee of C$52,500, exclusive of call fees, expenses and applicable taxes. The Company will bear all costs of this solicitation.

ADVICE TO BENEFICIAL HOLDERS

The information set forth in this section is of significant importance to many public Shareholders as a substantial number of the public Shareholders do not hold Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of the shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Company may not know for whose benefit the Common Shares registered in the name of a broker or intermediary are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge typically applies a decal to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge decal on it cannot use that proxy to vote shares directly at the Meeting. **The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.**

Since the Company may not have access to the names of its non-registered Shareholders, if a Beneficial Shareholder attends the Meeting, the Company will have no record of the Beneficial Shareholder's shareholdings or of its entitlement to vote unless the Beneficial Shareholder's nominee has appointed the Beneficial Shareholder as proxyholder. Therefore, a Beneficial Shareholder who wishes to vote in person at the Meeting must insert its own name in the space provided on the voting instruction form sent to the Beneficial Shareholder by its nominee, and sign and return the voting instruction form by following the signing and returning instructions provided by its nominee. By doing so, the Beneficial Shareholder will be instructing its nominee to appoint the Beneficial Shareholder as proxyholder. The Beneficial Shareholder should not otherwise complete the voting instruction form as its vote will be taken at the Meeting.

The Company may utilize the Broadridge QuickVote™ system, which involves non-objecting Beneficial Shareholders ("**NOBOs**") being contacted by Laurel Hill Advisory Group, which is soliciting proxies on behalf of management of the Company, to obtain voting instructions over the telephone and relaying them to Broadridge (on behalf of the NOBO's intermediary). While representatives of Laurel Hill Advisory Group are soliciting proxies on behalf of management, Shareholders are not required to vote in the manner recommended by the Board. The QuickVote™ system is intended to assist Shareholders in placing their votes, however, there is no obligation for any Shareholders to vote using the QuickVote™ system, and Shareholders may vote (or change or revoke their votes) at any other time and in any other applicable manner described in this Information Circular. Any voting instructions provided by a Shareholder will be recorded and such Shareholder will receive a letter from Broadridge (on behalf of the Shareholder's intermediary) as confirmation that their voting instructions have been accepted.

Shareholders with questions regarding voting their shares should contact Neo's proxy solicitation agent and shareholder communication advisor, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

ADVICE TO REGISTERED HOLDERS

A registered holder of Common Shares can vote their Common Shares in person at the Meeting or by proxy. A registered holder who does not wish to attend the Meeting or does not wish to vote in person should submit their form of proxy. Registered holders who wish to vote in person at the Meeting are encouraged to vote by submitting a proxy. Voting by proxy will not prevent a registered holder from voting in person if they attend the Meeting and duly revoke their previously granted proxy, but will ensure that their vote is counted if they are unable to attend the Meeting.

The Common Shares represented by the accompanying form of proxy (if the same is properly executed in favour of Edgar Lee, Rahim Suleman or Karen A. Murray, the management nominees, and is received at the offices of Computershare Trust Company of Canada, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6 or via internet at www.investorvote.com or by telephone at the toll-free number printed on the form of proxy, **by not later** than 4:00 p.m. (Toronto time) on Monday, June 15, 2026** or, if the Meeting is adjourned or postponed, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned or postponed Meeting, or in either case by such later date and time as the Board may determine in its sole discretion) will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted in accordance with the specification made. A Shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for them or on their behalf at the Meeting other than the persons named in the enclosed instrument of proxy. **In the absence of such a specification, such Common Shares will be voted in favour of such matter.** The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters set forth in the accompanying Notice of Meeting, or all other business or matters that may properly come before the Meeting. At the date hereof, management of the Company knows of no such amendments, variations or other business or matters to come before the Meeting.

Voting Methods	**Internet**	**Telephone**	**Mail**
Registered Shareholders *Shares held in own name and represented by a physical certificate or DRS statement and have a* ***15-digit*** *control number.*	Vote online at www.investorvote.com	1-866-732-8683	Return the completed Form of Proxy or Voting Instruction Form in the enclosed postage paid envelope.
Beneficial Shareholders *Shares held with a broker, bank or other intermediary and have a* ***16-digit*** *control number.*	Vote online at http://www.proxyvote.com	Canada: 1-800-474-7493 (EN) or 1-800-474-7501 (FR) USA: 1-800-454-8683	

Meeting Participation

The Company strongly encourages registered Shareholders and proxyholders to vote in advance of the Meeting using one of the methods described in the accompanying Information Circular to ensure your vote is received. To facilitate shareholders attending the Meeting, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on Wednesday, June 17, 2026 and can be accessed by conference call at (416) 945-7677 (Toronto local) or 1 (888) 699-1199 (North America toll free) or online by webcast at https://emportal.ink/3PX8rPv, please indicate you are dialing into the Neo Annual General & Special Shareholder Meeting. This call will be listen-only and shareholders will not be able to vote, speak, or otherwise participate in the Meeting via the conference call.

Appointment and Revocation of Proxies

A Shareholder has the right to appoint a person or entity (who need not be a Shareholder) to attend and act for them on their behalf at the Meeting other than the persons named in the enclosed form of proxy. The persons named in the accompanying form of proxy are a director and officer of the Company and an officer of the Company, respectively. **A Shareholder desiring to appoint some other person to represent them at the Meeting may do so**

either by inserting such person's name in the blank space provided in the accompanying form of proxy and striking out the names of the management nominees or by duly completing another proper form of proxy and, in either case, depositing the completed proxy at the offices of the Company's registrar and transfer agent, Computershare Trust Company of Canada, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6 or via internet at www.investorvote.com.

A Shareholder giving a proxy has the power to revoke it. Such revocation may be made by the Shareholder attending the Meeting by fully executing another form of proxy bearing a later date and duly depositing the same before the specified time, or by written instrument revoking such proxy duly executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited either at the registered office of the Company or its registrar and transfer agent 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 or any adjournment thereof or in any other manner permitted by law. Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy. Beneficial shareholders wishing to revoke their voting instructions should contact their intermediary.

Shareholders with questions regarding voting their shares should contact Neo's proxy solicitation agent and shareholder communication advisor, Laurel Hill Advisory Group, by calling 1-877-452-7184 (toll free in North America), 1-416-304-0211 (outside North America), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

Voting Securities and Principal Holders of Voting Securities

The authorized capital of the Company consists of an unlimited number of preferred shares and an unlimited number of Common Shares without nominal or par value, of which 41,989,972 Common Shares were issued and outstanding as at the date of this Information Circular.

Each Shareholder is entitled to one vote for each Common Share shown as registered in their name on the list of Shareholders, which will be available for inspection at the Meeting. The directors have fixed May 13, 2026 as the record date for the Meeting. Accordingly, pursuant to the OBCA, only Shareholders of record as at the close of business on May 13, 2026 are entitled to receive notice of and to attend and vote at the Meeting.

To the knowledge of the directors and officers of the Company, as of the date of this Information Circular, no person beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the votes attached to Common Shares.

PART II
MATTERS TO BE ACTED UPON

1. ELECTION OF DIRECTORS

Directors of the Company are elected annually by the Shareholders and will hold office until the next annual general meeting of Shareholders. The Articles of the Company provide that the number of directors to be elected shall be a minimum of three and a maximum of 15. A Board of six directors is to be elected at the Meeting.

It is intended that the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of electing as directors the nominees named below. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the nominees set out below.

The term of office of all present directors of the Company expires at the Meeting. Management has been informed by each nominee that they are willing to stand for election or re-election, as applicable, and serve as a director. Each of the directors will be elected on an individual basis. The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by the respective parties. See also "*Statement of Executive Compensation – Director Compensation*" for a discussion regarding director compensation including the issuance of deferred share units ("**DSUs**") to directors as part of their compensation arrangements.

In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Company will be voted FOR the election as directors of the nominees whose names are set forth below.

The Board has adopted a Majority Voting Policy which requires that any nominees who receive a greater number of votes withheld from his or her election than votes for such election, to promptly tender his or her resignation to the Board to be effective on the acceptance by the Board. Following receipt of the resignation, the Board will consider whether to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the Meeting, the Board shall publicly disclose its decision via news release (and provide a copy of the news release to the TSX) whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered. This policy does not apply in circumstances involving contested director elections.

The following information is submitted with respect to the nominees for directors:

EDGAR LEE
Hunts Point, Washington, USA

Chair of the Board
Independent Director

Member, Compensation and Human Resources Committee
Member, Corporate Governance and Nominating Committee

Director since October 2017

Common Shares held: Nil

Mr. Lee is the Chair of the Board of Directors of the Company and has been a director of Neo since October 2017, and prior to which he was a director of Neo Cayman from August 31, 2016. He is the Co-Founder and Managing Member of Sagent Group, a private investment firm. He has over 20 years of finance, mergers and acquisition and capital markets experience. Previously, Mr. Lee founded and was the portfolio manager of Oaktree's $6 billion Strategic Credit strategy. He was also the CEO and CIO of three corporate and specialty finance companies including Oaktree Specialty Lending and Oaktree Strategic Income Corporations. Before joining Oaktree, Mr. Lee worked within the Investment Banking divisions at UBS Investment Bank in Los Angeles and Lehman Brothers, where he was responsible for advising clients on equity and debt financings and mergers and acquisitions. He received a B.A. degree in economics from Swarthmore College and his master's degree from Harvard University.

Board/Standing Committees	**Attendance**	
	2025	**2026 (Jan to present)**
• Board of Directors	7 of 7	3 of 3
• Compensation and Human Resources Committee	2 of 2	2 of 2
• Corporate Governance and Nominating Committee	2 of 2	1 of 1

Other Public Board Directorships and Committee Memberships:
Company: None
Public Board Interlocks: None

Rahim Suleman
Toronto, Ontario, Canada

President & Chief Executive Officer
Director
Member, HESS Committee

Director since July 2023

Non-independent

Common Shares held: 453,369

Mr. Suleman was appointed the President and Chief Executive Officer of Neo on July 7, 2023. Prior to which, he was the President and Interim Chief Financial Officer of Neo since January 1, 2023. Previously, he was the Executive Vice President and Chief Financial Officer of Neo from September 2017, and was the Executive Vice President and Chief Financial Officer of Neo Cayman from January 2017. Previously, Mr. Suleman was Chief Financial Officer at Stackpole International from 2010. From 2009 to 2010, he was Global Finance Manager with GE Digital Energy Protection and Control. Mr. Suleman is a Canadian Chartered Public Accountant holding a Masters of Accountancy and a Bachelor of Arts in Accountancy from the University of Waterloo.

Board/Standing Committees	Attendance	
	2025	**2026 (Jan to present)**
• Board of Directors	7 of 7	3 of 3
• HESS Committee	4 of 4	2 of 2

Other Public Board Directorships and Committee Memberships:
Company: None
Public Board Interlocks: None

G. Gail Edwards
Lewiston, New York, USA

Independent Director

Chair, Audit Committee
Chair, Corporate Governance and Nominating Committee

Director since June 2019

Common Shares held: Nil

Gail Edwards has been a director of Neo since June 2019. She is a C-suite financial and real estate executive who is currently a director and Audit Committee Chair of Victory Holdco LLP, based in New York and is a director and Chair of the Audit Committee of PODS, based in Clearwater, Florida. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution and was previously a director of Amica Senior Lifestyles, based in Toronto and Chair of the Audit Committee. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Public Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.

Board/Standing Committees	Attendance	
	2025	**2026 (Jan to present)**
• Board of Directors	7 of 7	3 of 3
• Audit Committee	4 of 4	2 of 2
• Corporate Governance and Nominating Committee	2 of 2	1 of 1

Other Public Board Directorships and Committee Memberships:
Company: None
Public Board Interlocks: None

HUA DU
Kowloon, Hong Kong

Independent Director

Member, Audit Committee
Member, HESS Committee

Director since October 2023

Common Shares held: Nil

Hua Du has over 25 years of executive experience in a number of industries operating in Asian and global markets leading change in business models, overseeing plant construction, defining strategic plans and developing leadership teams. Mr. Du was the Chief Executive Officer of a biotech-based animal nutrition business, with offices and operations across eight Asian countries from September 2021 to November 2025. Previously, Mr. Du served for 11 years as President of Global Business Units and Executive Committee member at a leading global chemicals and materials company, including manufacturing and distribution of value-added rare earth products. There, he led several global business units with revenues of EUR 5 billion, more than 10,000 employees, and technologies covering a wide range of end markets. Before that, he worked at a specialty chemicals manufacturer for 13 years, driving growth in Asia for its Electronic Materials Group. Mr. Du graduated from Peking University in China and holds a Doctor of Philosophy (Ph.D.) in organic chemistry from the University of Illinois Urbana-Champaign.

Board/Standing Committees	Attendance	
	2025	2026 (Jan to present)
• Board of Directors	7 of 7	3 of 3
• HESS Committee	4 of 4	2 of 2
• Audit Committee	2 of 2	2 of 2

Other Public Board Directorships and Committee Memberships:
Company: None
Public Board Interlocks: None

JONATHAN EVANS
Atlanta, Georgia, USA

Independent Director

Chair, Compensation and Human Resources Committee
Member, HESS Committee

Common Shares held: Nil

Jonathan Evans is the President and Chief Executive Officer and director of Lithium Americas Corp. since October 2023. He was a director of Lithium Americas Corp. (now known as Lithium Americas (Argentina) Corp.), the predecessor corporation to Lithium Americas Corp. from June 2017 to October 2023, and served as its President from August of 2018 and as Chief Executive Officer from May 2019 to October 2023. Mr. Evans has 30 years of operations and general management experience across businesses of various sizes and industry applications. Previously, he served as Vice President and General Manager for the Lithium Division at FMC Corporation (USA), and as the Chief Operating Officer of DiversiTech Corporation, a portfolio company of the private equity group, Permira. Mr. Evans has also held executive management roles at Arysta LifeScience, AMRI Corporation and General Electric. After earning a Bachelor of Science degree in mechanical engineering from Clarkson University, Mr. Evans served in the United States Army as an Armor/Cavalry officer. He subsequently earned a MSc from Rensselaer Polytechnic Institute.

Board / Standing Committees	Attendance	
	2025	2026 (Jan to present)
• Board of Directors	3 of 4	3 of 3
• Compensation and Human Resources	n/a	2 of 2
• HESS Committee	2 of 2	2 of 2

Other Public Board Directorships and Committee Memberships:
Company: Lithium Americas Corp. [TSX; NYSE]
Public Board Interlocks: None

PAUL MASCARENAS **Traverse City, Michigan, USA** *Independent Director* *Member, Audit Committee* *Member, Corporate Governance and Nominating Committee* Common Shares held: 15,000	Paul Mascarenas is a Venture Partner with Fontinalis Partners and has served on the boards of directors for a number of multi-national public companies, including United States Steel Corporation, ON Semiconductor and The Shyft Group. In addition, Mr. Mascarenas has served on the audit committees of United States Steel Corporation, Borg Warner and Mentor Graphics. Previously, Mr. Mascarenas was a Corporate Vice President and Chief Technical Officer of Ford Motor Company. Over the course of his career, Mr. Mascarenas has amassed extensive knowledge in business, strategic planning, product development and manufacturing operations, with assignments in the United Kingdom, Germany and the United States. Mr. Mascarenas has also held a number of other advisory roles including the British American Business Council, Magna International, Oak Ridge National Laboratory and the SAE China International Advisory Committee. Mr. Mascarenas holds a Mechanical Engineering degree from King's College, University of London in England and an honorary doctorate degree from Chongqing University in China. In addition he has completed several executive education programs. In December 2014, he was awarded an OBE by Her Majesty Queen Elizabeth II, in recognition of his services to the automotive industry.

Board / Standing Committees	Attendance	
	2025	2026 (Jan to present)
• Board of Directors	4 of 4	3 of 3
• Audit Committee	2 of 2	2 of 3
• Corporate Governance and Nominating Committee	1 of 1	1 of 1

Other Public Board Directorships and Committee Memberships:
Company: ON Semiconductor [NASDAQ]
Public Board Interlocks: None

Notes:

(1) The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by the respective parties.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

Other than as set out below, no proposed director of the Company is, as at the date of this Information Circular, or was within the 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the preceding disclosure, an "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for more than 30 days.

Bankruptcies

Other than as set out below, no proposed director of the Company:

(a) is, at the date of this Information Circular, or has been within the 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 within creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or

(b) 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 assets of the director, executive officer or shareholder.

Penalties and Sanctions

Other than as set out below, no proposed director of the Company has been subject to:

(a) any penalty or sanction imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalty or sanction imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Edgar Lee was an officer of Oaktree Capital Management. A principal focus of Oaktree Capital Management's investing activities is in the debt of financially stressed or distressed companies and to take an active role in the bankruptcy process, often emerging with equity of the reorganized company. As such, Oaktree and its officers are often subject to litigation that arises in the ordinary course of its business of investing in distressed debt and special situation funds.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other companies. The directors of the Company are bound by the provisions of applicable corporate law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required to disclose his or her interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Company, its directors and officers or other members of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

2. RE-APPOINTMENT OF AUDITORS

The management of the Company recommends the re-appointment of KPMG LLP Chartered Accountants, as auditors of the Company. KPMG LLP have been the auditors for the Company since the Company was incorporated in September 2017. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the re-appointment of KPMG LLP Chartered Accountants as auditors of the

Company to hold office until the next annual meeting of Shareholders and authorizing the directors of the Company to fix their remuneration.

This resolution requires the approval of a simple majority of the votes cast at the Meeting, in person or by proxy, in order to be approved.

In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Company will be voted FOR the re-appointment of KPMG LLP Chartered Accountants as auditors of the Company.

3. APPROVAL OF AMENDMENTS TO THE OMNIBUS LTIP

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to pass an ordinary resolution, with or without amendment, the text of which is attached as Appendix "C" to this Circular, approving, ratifying and confirming amendments to the Company's Amended and Restated Omnibus Long-Term Incentive Plan (the "**Omnibus LTIP**"). The Omnibus LTIP is designed to advance the interests of the Company by providing eligible participants with additional incentives, encouraging share ownership, increasing proprietary interests in the success of the Company, promoting growth and profitability, encouraging eligible participants to take into account long-term corporate performance, rewarding eligible participants for sustained contributions and significant performance achievements, and enhancing the Company's ability to attract, retain and motivate eligible participants, including officers, directors, employees and consultants of the Company and its subsidiaries. A summary of the principal terms of the Omnibus LTIP is set out under the heading "*Statement of Executive Compensation - Compensation Discussion and Analysis – Other Compensation – Omnibus LTIP*" below.

Among other amendments, the Board is recommending that Shareholders approve the following:

(a) a reduction of 765,000 Common Shares in the maximum number of Common Shares reserved and available for issuance under the Omnibus LTIP, from 4,665,000 Common Shares to 3,900,000 Common Shares;

(b) a reallocation within the reduced overall reserve to increase the sub-limit of Common Shares available for issuance from treasury under the Omnibus LTIP pursuant to SARs or RSUs from 1,400,000 Common Shares to 2,000,000 Common Shares, providing the Company with greater flexibility to utilize performance-aligned compensation;

(c) modifications to the amendment provision of the Omnibus LTIP to clarify that the Board may amend or revise the Omnibus LTIP or any Award (as defined below) at any time in its sole and absolute discretion provided that such amendments or modifications relate to: (a) the provisions governing the effect of termination of a Participant's (as defined in the Omnibus LTIP) employment, contract or office; and (b) amendments, fundamental or otherwise, that do not require shareholder approval under applicable laws or the applicable rules of the TSX or any other stock exchange on which the Common Shares are traded; and

(d) certain other modifications which are of an administrative or housekeeping nature, including, but not limited to: (a) changes to reflect recent developments in applicable employment law, including certain updates to defined terms; (b) stipulating that DSUs will only be settled in cash alone; (c) changes to the definition of "RSU Settlement Date" to align with the relevant requirements under the *Income Tax Act* (Canada); (d) stipulating that in the event of a Change of Control (as defined in the Omnibus LTIP) the Board may, in its sole and absolute discretion, elect to either require that all unvested Awards be substituted or replaced with awards of the continuing entity on the same terms and conditions, or accelerate the vesting of all or any outstanding Awards and, as applicable, permit the exercise or settlement of such Awards, in each case on such terms and conditions as the Board may determine; and (e) adding settlement mechanics and participant election provisions governing the treatment of Awards upon the occurrence of termination events, including specified timelines for settlement and valuation dates.

The Company relies on the granting of Options, RSUs (time-vested and performance-vested), DSUs and SARs to attract, retain, and motivate its officers, directors, employees and consultants and to align management's interests with the creation of long-term Shareholder value. The Compensation and Human Resources Committee and the Board also believe that the Awards have played a significant role in the Company's achievement of strong results over time. In considering the proposed amendments to the Omnibus LTIP, the Board determined that it is important to right-size the overall share reserve to reflect the Company’s actual anticipated needs, while at the same time reallocating a greater proportion of the reserve to the sub-limit for RSUs and SARs, which the Board views as more closely aligned with the Company’s compensation philosophy emphasizing performance-based and at-risk pay. The proposed amendments also seek to modernize the Omnibus LTIP by enhancing the Board’s flexibility to administer the plan efficiently, incorporating governance best practices and clarifying participant settlement mechanics, and updating the plan to reflect current employment law and tax requirements.

The Omnibus LTIP currently provides that the maximum number of Common Shares that are issuable for the exercise or vesting of Awards is not to exceed 4,665,000 Common Shares (representing approximately 11.1% of the issued and outstanding Common Shares as of May 13, 2026). The Omnibus LTIP also contains a sub-limit on the number of Common Shares available for issuance from treasury pursuant to SARs or RSUs of 1,400,000. As of May 13, 2026, an aggregate of 893,799 Awards are outstanding, including 240,253 RSUs (time-vested) and 653,546 RSUs (performance-vested), each of which is partially-settled in Common Shares, and 652,534 Common Shares have been issued on the settlement of Awards, reducing the number of Common Shares available for issuance under the Omnibus LTIP pursuant to SARs and RSUs to 29,803 Common Shares. Accordingly, without approval of the increase to the sub-limit, the Company will be limited to 29,803 Common Shares available for future grants of SARs and RSUs (time-vested) and RSUs (performance-vested) under the Omnibus LTIP. The proposed reduction of the overall reserve from 4,665,000 to 3,900,000 Common Shares demonstrates the Board’s commitment to responsible share management, while the concurrent increase to the sub-limit from 1,400,000 to 2,000,000 Common Shares will provide the Company with the flexibility it needs to continue utilizing RSUs and SARs as a core component of its performance-aligned compensation strategy. These changes are integral to the Company's succession planning and leadership development efforts and are designed to achieve these objectives without increasing the overall cost of the Omnibus LTIP to Shareholders.

The proposed modifications to the amendment provision of the Omnibus LTIP described above will also permit the Board greater flexibility to make modifications to existing Awards and more effectively and efficiently administer the Omnibus LTIP. The Board believes the foregoing amendments are responsive to feedback from Shareholders and reflect a desire on the part of the Board to further promote alignment in interest between the Company’s management and Shareholders. The proposed amendments to the Omnibus LTIP have been recommended to the Board by the Compensation and Human Resources Committee based on advice from its external compensation consultant.

The Omnibus LTIP, as amended, will be referred to as the “Second Amended and Restated Omnibus Long-Term Incentive Plan”. The Board has approved, on the recommendation of the Compensation and Human Resources Committee and subject to TSX and Shareholder approvals, the amendments to the Omnibus LTIP. The TSX has conditionally approved the Second Amended and Restated Omnibus Long-Term Incentive Plan. This discussion is qualified in its entirety by the full text of the Second Amended and Restated Omnibus Long-Term Incentive Plan, which will be substantially in the form attached as Appendix “E” hereto. A blackline comparison of the Second Amended and Restated Omnibus Long-Term Incentive Plan to the Amended and Restated Omnibus Long-Term Incentive Plan is attached as Appendix “F” hereto.

Recommendation of Board

In recommending the approval, ratification and confirmation of the amendments to the Omnibus LTIP, the Board considered the appropriateness and reasonableness of the size and scope of the reserve and sub-limit given the

Company's expected needs. The Board further determined that the amendments, taken together, are in the best interests of the Company and its Shareholders as they will enable the Company to maintain a competitive, performance-aligned compensation program, provide the Board with the administrative flexibility necessary to respond to evolving business needs and governance standards, and strengthen the alignment of interests between management and Shareholders while at the same time reducing the overall number of Common Shares reserved for issuance under the Omnibus LTIP.

The Board recommends that the Shareholders vote **FOR** the resolution set out in Appendix "C" of this Circular.

Shareholder Approval of the Omnibus LTIP

To be effective, the ordinary resolution approving, ratifying and confirming the amendments to the Omnibus LTIP must be approved by the affirmative vote of a majority of the Shareholders present or represented by proxy at the Meeting.

UNLESS A SHAREHOLDER SPECIFIES IN ITS PROXY THAT THE SHARES REPRESENTED BY SUCH PROXY ARE TO BE VOTED AGAINST THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE OMNIBUS LTIP, THE PERSONS NAMED IN THE PROXY SHALL VOTE THE SHARES FOR THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE OMNIBUS LTIP.

4. RECONFIRMATION AND APPROVAL OF THE SECOND A&R RIGHTS PLAN

The Company adopted a shareholder rights plan agreement dated as of September 20, 2022, between the Company and Computershare Investor Services Inc., which was amended and restated (the "**First A&R Rights Plan**") and approved by Shareholders at the Company's annual and special meeting of shareholders dated June 8, 2023.

By its terms, the First A&R Rights Plan must be reconfirmed and approved by the Company's Independent Shareholders every three years. As such, at the Meeting, shareholders will be asked to approve an ordinary resolution reconfirming and approving the First A&R Rights Plan, as amended (the "**Second A&R Rights Plan**"), the full text of which is set forth on Appendix "D" hereto. Except for certain amendments that are of an administrative or housekeeping nature, the Second A&R Rights Plan is in substantially the same form as the First A&R Rights Plan. A blackline comparison of the Second A&R Rights Plan to the First A&R Rights Plan is attached as Appendix "H" hereto.

The Toronto Stock Exchange (the "**TSX**") has conditionally accepted notice for filing of the Second A&R Rights Plan, subject to reconfirmation of the Second A&R Rights Plan and approval of the Second A&R Rights Plan by Shareholders at the Meeting (or any adjournment(s) or postponement(s) thereof). If the ordinary resolution reconfirming and approving the Second A&R Rights Plan is not passed at the Meeting, the First A&R Rights Plan will terminate on the close of business on June 17, 2026, the date of the Meeting. However, if the ordinary resolution reconfirming and approving the First A&R Rights Plan is passed at the Meeting, the Second A&R Rights Plan will take effect on the close of business on June 17, 2026, replacing the First A&R Rights Plan, and the Second A&R Rights Plan will require reconfirmation by the Company's Shareholders at the 2029 annual meeting of Shareholders (or any postponement(s) or adjournment(s) thereof) and thereafter at such annual meeting of shareholders (or any postponement(s) or adjournment(s) thereof) to be held, mutatis mutandis, every three years thereafter.

The following is a brief summary of the purpose of the First A&R Rights Plan and the Second A&R Rights Plan. A summary of the principal terms of the Second A&R Rights Plan, which are substantially the same as the principal terms of the First A&R Rights Plan, which summary is qualified in its entirety by reference to the actual provisions of the Second A&R Rights Plan and the First A&R Rights Plan. A copy of the First A&R Rights Plan is available under the Company's issuer profile on SEDAR+ at www.sedarplus.ca. The full text of the Second A&R Rights Plan is set forth as Appendix "G" hereto, and a blackline comparison of the Second A&R Rights Plan to the First A&R Rights Plan is attached as Appendix "H" hereto. If the Second A&R Rights Plan is reconfirmed and approved at the Meeting, the

Second A&R Rights Plan will be filed and available on the Company's issuer profile on SEDAR+ at www.sedarplus.ca following the Meeting.

Purpose of the Second Amended and Restated Shareholder Rights Plan

A shareholder rights plan is a common mechanism used by public entities to encourage the fair and equal treatment of all shareholders in the event of a take-over initiative. Shareholder rights plans have been adopted and reconfirmed by a number of publicly held corporations in Canada. The terms of the Second A&R Rights Plan are substantially similar to those plans.

Under a shareholder rights plan, rights to purchase shares are issued to all shareholders. Initially, the rights are not exercisable. However, if a person or group proceeds with a take-over bid for 20% or more of the target company's shares that does not meet the "permitted bid" criteria contained in the shareholder rights plan and the shareholder rights plan is triggered, the rights (other than those owned by the person or group making the bid) become exercisable for shares at a discount to the market price at the time of exercise, causing substantial dilution and making the take-over bid uneconomical.

The Board believes the First A&R Rights Plan encourages and, if the Second A&R Rights Plan is reconfirmed and approved at the Meeting, the Second A&R Rights Plan will continue to encourage, persons seeking to acquire control of the Company to do so by means of public take-over bids available to all Shareholders and that the First A&R Rights Plan deters and, if the Second A&R Rights Plan is reconfirmed and approved at the Meeting, the Second A&R Rights Plan will continue to deter, acquisitions by means that may deny some Shareholders the opportunity to share in the premium that an acquiror is likely to pay upon an acquisition of control. By motivating would-be acquirors to make public take-over bids, Shareholders will have the best opportunity of being assured that they will participate on an equal basis, regardless of the size of their holdings, in any acquisition of control of the Company.

The Board believes that the First A&R Rights Plan does not and, if the Second A&R Rights Plan is reconfirmed and approved at the Meeting, the Second A&R Rights Plan will not, adversely limit the opportunity for Shareholders to dispose of their Common Shares through a take-over bid for the Company which provides fair value to all Shareholders. The Board will continue to be obligated to consider fully and fairly any bona fide take-over bid for the Common Shares and to discharge their responsibilities with a view to the best interests of the Shareholders.

A full description of the terms of the Second A&R Rights Plan is attached hereto as Appendix "I".

Recommendation of the Board

In recommending the reconfirmation and approval of the Second A&R Rights Plan, the Board considered the appropriateness of continuing the operation of a shareholder rights plan and concluded, for the reasons discussed above, that it is in the best interests of the Company and its Shareholders to do so.

The Board recommends that the Shareholders vote **FOR** the resolution set out in Appendix "D" of this Circular.

Shareholder Approval of the Second Amended and Restated Shareholder Rights Plan

To be effective, the ordinary resolution approving, ratifying and confirming the Second A&R Rights Plan must be approved by the affirmative vote of a majority of the Independent Shareholders (as defined in the Second A&R Rights Plan) present or represented by proxy at the Meeting. As of the date of this Circular, the Board is not aware of any Shareholders whose votes would be required to be excluded.

UNLESS A SHAREHOLDER SPECIFIES IN ITS PROXY THAT THE SHARES REPRESENTED BY SUCH PROXY ARE TO BE VOTED AGAINST THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE SECOND A&R RIGHTS PLAN, THE PERSONS NAMED IN THE PROXY SHALL VOTE THE SHARES FOR THE ORDINARY RESOLUTION APPROVING, RATIFYING AND CONFIRMING THE SECOND A&R RIGHTS PLAN.

PART III
ADDITIONAL DISCLOSURE

STATEMENT OF EXECUTIVE COMPENSATION

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the issuer's three mostly highly compensated executive officers whose total compensation exceeds C$150,000. Based on these requirements, the executive officers of the Company for whom disclosure is required under Form 51-102F6 are Mr. Rahim Suleman (the President and Chief Executive Officer), Mr. Jonathan Baksh (Executive Vice President and Chief Financial Officer), Mr. Kevin Morris, Mr. Greg Kroll and Mr. Mohamad El-Mahmoud (collectively, the "**Named Executive Officers**").

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives

Overview

The Board, upon recommendation of the Compensation and Human Resources Committee, makes decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the Company's executive officers. The Compensation and Human Resources Committee makes recommendations to the Board regarding compensation of the President and Chief Executive Officer and makes decisions in conjunction with feedback from the President and Chief Executive Officer regarding the compensation of the Company's other executive officers. The Compensation and Human Resources Committee, in consultation with the President and Chief Executive Officer, also administers employee incentive compensation, including equity-based compensation plans.

What We Do	
✓ Link executive pay to Company performance through short- and long-term incentive awards	✓ Link executive pay to ESG factors
✓ Benchmark executive compensation and company performance to relevant Canadian, US and European peer companies	✓ Adopted a clawback policy applicable for incentive plan grants
✓ Utilize double-trigger change of control provisions in executive agreements and under the long-term incentive plans	✓ Retain independent advisor to the Compensation and Human Resources Committee that does not provide services to management of the Company

What We Do Not Do	
o Payout compensation when performance is below threshold	o Utilize single-trigger change of control provision in long-term incentive awards
o Guarantee increases in executive compensation agreements	o Re-price, backdate or exchange Options, RSUs (time vested) or RSUs (performance vested)
o Grant loans to executive officers	o Grant Options to non-employee directors

Compensation and Human Resources Committee

The Compensation and Human Resources Committee is comprised of three independent directors (being Jonathan Evans (Chair), Eric Noyrez and Edgar Lee), none of whom are officers of the Company and, as such, the Board believes that the Compensation and Human Resources Committee is able to conduct its activities in an objective manner. See "*Corporate Governance of the Company – Compensation and Human Resources Committee.*" Following the AGM, the Compensation and Human Resources Committee is expected to be comprised of Jonathan Evans, Edgar Lee and Paul Mascarenas, all of whom are independent.

For additional details regarding the relevant education and experience of each member of the Compensation and Human Resources Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "*Directors and Executive Officers – Biographies*". The experience and skills of such members of the Compensation and Human Resources Committee enable it to make sound decisions so the suitability of the Company's policies and practices.

The Board has adopted a written mandate setting forth the purpose, composition, authority and responsibility of the Compensation and Human Resources Committee. The primary responsibilities and duties of the Compensation and Human Resources Committee, include, but are not limited to:

- discharging the Board's responsibilities relating to the compensation of the Company's executive officers;
- administering the Company's incentive compensation and equity-based compensation plans; and
- assisting the Board with respect to management succession and development.

The Compensation and Human Resources Committee reviews and makes recommendations to the Board on an annual basis regarding: (i) company-wide compensation programs and practices; (ii) all aspects of the remuneration of the Company's executive officers; and (iii) equity-based plans and any material amendments thereto.

Compensation Objectives

The Company's executive compensation program is designed to provide short and long-term rewards to the Named Executive Officers that are consistent with individual and corporate performance and their contribution to Neo's long-term strategic objectives. The objectives of the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements, as well as those relating to compensation of directors, is set out below.

When determining the compensation arrangements for the Named Executive Officers, the Compensation and Human Resources Committee considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's Shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

Compensation Consulting Services – Independent Advice

In August 2024, the Compensation and Human Resources Committee retained Hugessen Consulting Inc. ("**Hugessen**") to provide independent advice on Neo's compensation strategy and matters related to executive compensation. The Compensation and Human Resources Committee typically retains a compensation consultant every three years to review and update the Compensation and Human Resources Committee on market trends, peer group composition and the relative competitiveness of the Company's executive compensation package.

The Compensation and Human Resources Committee considers the following factors in evaluating the independence of an advisor:

- any business or personal relationship between a member of the Compensation and Human Resources Committee or Neo's executive team and the advisor;
- the scope, if any, of other services provided by the advisor to Neo; and
- the policies and procedures of the advisor that are designed to prevent conflicts of interest.

Activities provided by Hugessen to the Compensation and Human Resources Committee included a review of Neo's executive compensation peer group, current executive compensation levels against the approved peers, and a diagnostic assessment of the Company's incentive plans applicable to the Named Executive Officers. In 2024, the Company paid Hugessen an aggregate of C$96,000 plus HST for executive compensation-related work to the Compensation and Human Resources Committee. The Company did not pay Hugessen any other fees.

Elements of 2025 Compensation of Named Executive Officers

The Company believes that a substantial portion of the total compensation for the Named Executive Officers should be variable and tied to the Company's performance to align their compensation interests with the achievement of the Company's business objectives and the long-term investment interests of the Company's Shareholders. At the same time, the Company strives to attract and retain high caliber executives through the measured use of competitive fixed compensation. The Company's delivery of both fixed and at-risk variable compensation is offered at levels that the Company believes are competitive within its industry and deemed to be appropriate for 2025.

The Company believes its compensation program, when evaluated on a component-by-component basis and in total, effectively achieves the Company's compensation philosophy and objectives described above. The following table summarizes the key components of the Company's compensation program for 2025:

Component	**Primary Purpose and Objectives**
Base Salary	Base salary compensates an individual in cash for his or her responsibilities, skills, experience and performance. The levels of base salaries are intended to attract and retain a high quality management team, especially when combined with the other components of the Company's compensation program. The levels of base salary for the Named Executive Officers are designed to reflect each executive officer's scope of responsibility, accountability and industry experience.
Annual Incentive Program Awards	The Company's annual incentive program awards are used to align the Named Executive Officers' compensation interests with the overall business objectives and the short term investment interests of the Company's Shareholders by rewarding the Named Executive Officers for annual performance. Corporate goals were established and approved by the Board in March 2025 and performance is evaluated after year end. Payments with respect to the 2025 annual incentive program awards were made in cash in March 2026.
Long Term Incentive Program Awards	In May 2021, the Board adopted the Omnibus LTIP (which was subsequently amended in May 2024) the purposes of which are to foster and promote the long-term financial success of the Company, materially increase the value of the Company and to attract and retain high-caliber employees. The Omnibus LTIP authorizes the granting of equity-based compensation in the form of options to purchase Common Shares ("**Options**"), restricted share units ("**RSUs**") (time-vested and performance-vested), stock appreciation rights ("**SARs**"), deferred share units, and other awards. Awards granted under the Omnibus LTIP will be settled in Common Shares and in some cases, cash.

Component	Primary Purpose and Objectives
Health and Welfare Benefits	Broad-based and customary health and welfare benefits provide for basic health, life and income security needs of the Named Executive Officers and their dependents. These health and welfare benefits are competitive with industry practices and help attract and retain executives.
Retirement Benefits	The Company's Canada Group Retirement Savings Plan for the Company's Canadian based Named Executive Officers and the Company's 401(k) plan for the Named Executive Officers who reside in the United States encourage and reward long-term service by providing market-based benefits for retirement. All employees who are Canadian residents are eligible to participate in the Company's Canada Group Retirement Savings Plan and all U.S. based employees are eligible to participate in the Company's 401(k) plan.

2025 Annual Incentive Plan

Metrics and Goals

The Board approved the following 2025 Annual Incentive Plan metrics for the consolidated corporate level and business units (“**BUs**”): Adjusted EBITDA vs. budget; cash flow from operating activities (“**CFOA**”) vs. budget; health, environment, safety and security (“**HESS**”); strategic priorities; and personal performance. Each of these metrics is discussed in more detail below:

Adjusted EBITDA[1]. Adjusted EBITDA is defined in the 2025 budget as EBITDA before equity income (loss) in associates, other income (expense), foreign exchange (gain) loss, share and value-based compensation, impairment of long-lived assets, and other non-recurring items as agreed by the Board and computed consistently in budget and actuals. The target amount is within the range of publicly disclosed guidance range for Adjusted EBITDA. The specific budgeted Adjusted EBITDA reflects commercially and competitively sensitive information, the disclosure of which would be seriously prejudicial to Neo's interests as the underlying adjustments include commercially and competitively sensitive information and therefore neither target Adjusted EBITDA for the 2025 budget nor the underlying adjustments are being disclosed in reliance on the applicable exemption. Subject to the above-noted adjustments, Adjusted EBITDA for purposes of the 2025 budget and determining Annual Incentive Program Awards is otherwise computed in a manner consistent with Adjusted EBITDA as reported in Neo's financial results for fiscal 2025.

CFOA. CFOA is defined in the 2025 budget as Adjusted EBITDA less income taxes paid, and further adjusted for the net change in working capital. Working capital for this purpose excludes cash, and select non-operating items including investments, assets and liabilities held for sale, debt, derivative liabilities, and provisions. The specific budgeted CFOA target and underlying working capital assumptions reflect commercially and competitively sensitive information, the disclosure of which would be seriously prejudicial to Neo’s interests, and therefore are not being disclosed in reliance on the applicable exemption. Subject to the above-noted adjustments, CFOA for purposes of the 2025 budget and determining Annual Incentive Program Awards is otherwise computed in a manner consistent with the presentation of operating cash flow in Neo’s financial results for fiscal 2025.

HESS. Includes two metrics: average of lost time incident rate (“**LTIR**”) and total reportable incident rate (“**TRIR**”). For the purposes of calculating these rates the number of incidents are averaged against total performance hours. The 2025 LTIR goal was 0.33 and the actual rate was 0.33; and the TRIR goal was 0.55 with an achievement of 0.33;

[1] Neo reports non-IFRS measures such as "Adjusted EBITDA". Please see information on this (including for a reconciliation of "Adjusted EBITDA" as reported in Neo's financial results for fiscal 2025) and other non-IFRS measures in the "Non-IFRS Financial Measures" section of Neo's management's discussion and analysis for the fiscal year ended December 31, 2025, which is available on Neo's website at www.neomaterials.com and on SEDAR+ at www.sedarplus.ca.

Strategic Priorities. Qualitative assessment of achievement against strategic objectives for each Named Executive Officer reviewed by the Board in the first quarter of the year.

Personal Performance. Qualitative assessment of achievement against personal performance goals and expectations set out in the first quarter of the year.

The 2025 performance factor (the "**Consolidated Performance Factor**") for the Chief Executive Officer, the Chief Financial Officer and the Chief Strategy Officer (collectively, the "**C-Suite**") is the sum of the weighted achievements set out below. Fifty percent of the annual incentive target of the Chief Executive Officer is calculated as set out above and the balance of the annual incentive target is based on the Board's assessment of progress towards various strategic objectives. Please see also "*Statement of Executive Compensation - Chief Executive Officer Compensation*" below.

The achievement on the five metrics of the 2025 Annual Incentive Plan goals are calculated by applying the percentage of target achievement for each metric against the applicable annual incentive slope, then multiplying that result by the metric weighting and then aggregating the five components. The performance factor for the remaining three Named Executive Officers is calculated in a similar manner except that the weighting for Adjusted EBITDA of 50% is split between consolidated (with a weighting of 30%) and BU (with a weighting of 20%); and the CFOA, HESS and Strategic Priorities results are based on BU results.

The Board approved the following weightings for the Named Executive Officers:

	Adj. EBITDA	**CFOA**	**HESS**	**Strategic Priorities**	**Personal Perform-ance**
Chief Executive Officer / Chief Financial Officer / Chief Strategy Officer	50% consolidated Adjusted EBITDA	20% consolidated CFOA	10% consolidated basis	10% consolidated basis	10%
Business Unit Executive Vice Presidents	30% consolidated Adjusted EBITDA and 20% BU Adjusted EBITDA	20% BU basis	10% BU basis	10% BU strategic priorities	10%

The annual incentive amount for each of the Named Executive Officers (other than the Chief Executive Officer) is calculated as follows:

Base Salary	X	Annual Incentive Target Percentage of Base Salary (60% – 125%)	X	2025 Performance Factor	=	2025 Annual Incentive Amount

Annual Incentive Plan goals, at the consolidated business and business unit levels, is comprised of the following factors:

Metric	Weight	Threshold to Target	Target	Target to Superior	Superior
Adjusted EBITDA	50%	Payout determined based upon results between 80% to 97% of target.	Payout determined based upon results between 97% to 103% of target.	Payout determined based upon results between 103% to 120% of target.	Payout determined based on results between 120% to 200%
CFOA	20%	Payout determined based upon results between 80% to 97% of target.	Payout determined based upon results between 97% to 103% of target.	Payout determined based upon results between 103% to 120% of target.	Payout determined based on results between 120% to 200%
HESS	10%	Payout determined based upon results between 80% to 99% of target.	100%	Payout determined based upon results between 101% to 120% of target.	Payout maximum of 120%
Strategic Priorities	10%	Payout determined based on achievement between 80% to 99% of target.	100%	Payout determined based on achievement between 101% and 120% of target.	Payout maximum of 120%

For fiscal 2025, the Consolidated and Business Unit performance achievements are set out below:

2025 Consolidated and BU Performance Achievements

	EBITDA	CFOA	HESS	Strategic Priorities
Consolidated	Superior	Below threshold	Target to Superior	Target to Superior
Magnequench	Superior	Below threshold	Target to Superior	Target
Chemicals & Oxides	Superior	Superior	Threshold to Target	Target to Superior
Rare Metals	Superior	Below threshold	Threshold to Target	Threshold to Target

For fiscal 2025, the Performance Factors for each Named Executive Officer is set out below:

	Base Salary(1)	Annual Incentive Target Percentage	Total 2025 Performance Factor	2025 Annual Incentive Amount(1)
Rahim Suleman	669,464	125%	130.45%	1,098,131
Jonathan Baksh	311,075	60%	130.45%	245,345
Kevin Morris	465,946	65%	130.45%	395,087
Greg Kroll	409,193	60%	122.81%	303,967
Mohamad El-Mahmoud ...	433,224	60%	148.80%	386,783

Notes

(1) The Company reports its financial statements in U.S. dollars and the table above is shown in U.S. dollars. Messrs. Morris and Kroll are paid in U.S. dollars. Compensation for Messrs. Suleman, Baksh and El-Mahmoud is made in Canadian dollars and Euros, as applicable, but has been converted for the table above at the Bank of Canada at December 31, 2025 of \$1.00 = C\$1.3706 and €1 = \$1.1732 which accounts for rounding errors.

Other Compensation - Long-Term Incentives

The Omnibus LTIP

The following is a summary of the Omnibus LTIP as at the date of this Circular and is qualified in its entirety by the full text of the Omnibus LTIP. Please see "*Matters to be Acted Upon - Approval of Amendments to the Omnibus LTIP*" for a description of the proposed amendments to the Omnibus LTIP, which have not been reflected in the below. The full text of the proposed Second Amended and Restated Omnibus Long-Term Incentive Plan is attached as Appendix "E" hereto.

The Omnibus LTIP allows for a variety of equity-based awards including Options, RSUs (time-vested and performance-vested), DSUs and SARs, to be granted to officers, directors, employees and consultants of the Company and its subsidiaries. The Omnibus LTIP was originally approved by Shareholders and adopted in 2021. An amendment to the Omnibus LTIP to increase the number of Common Shares reserved for issuance under the Omnibus LTIP was approved by Shareholders in 2024. The following discussion is qualified in its entirety by the text of the Omnibus LTIP, which can be found on the Company's SEDAR+ profile at www.sedarplus.ca.

Under the terms of the Omnibus LTIP, the Board, or if authorized by the Board, the Compensation and Human Resources Committee, may grant long-term incentive awards ("**Awards**") to eligible participants, as applicable. Participation in the Omnibus LTIP is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. The interests of any participant in any Award are not assignable or transferable, whether voluntary, involuntary, by operation of law, otherwise, other than by will or the laws of descent and distribution. Previous grants of equity-based awards may be taken into consideration when making decisions related to equity-based compensation.

The Omnibus LTIP provides that appropriate adjustment, if any, will be made by the Board in connection with a reclassification, reorganization or other change of the Common Shares, share split or consolidation, distribution, merger or amalgamation involving the Common Shares issuable or amounts payable to preclude the dilution or enlargement of the benefits of the Omnibus LTIP. The Omnibus LTIP does not contain any form of financial assistance. All prior Options granted under the Company's Option Plan or any other vehicles continue to be governed by the terms of such plans.

The total number of Common Shares reserved and available for grant and issuance from treasury pursuant to awards under the Omnibus LTIP shall not exceed 4,665,000 (being 11.1% of the total issued and outstanding Common Shares as of the date of amendment of the Omnibus LTIP). In addition, of the number of Common Shares reserved for settlement of awards issued pursuant to the Omnibus LTIP, the number of Common Shares available for issuance from treasury under the Omnibus LTIP for the settlement of SARs and RSUs shall not exceed 1,400,000.

The maximum number of Common Shares that may be: (i) issued to insiders of the Company within any one year period; or (ii) issuable to insiders of the Company at any time, in each case, under the Omnibus LTIP alone, or when combined with all of the Company's other security-based compensation arrangements, including the Option Plan, cannot exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time.

The maximum number of Common Shares that may be reserved for issuance to non-employee directors under the Omnibus LTIP shall be the lesser of (i) 1% of the issued and outstanding Common Shares on the date of grant, less the aggregate number of Common Shares reserved for issuance to such non-employee director under any other share based compensation arrangement; and (ii) an annual grant value to any one non-employee director of C$150,000. Of the C$150,000 annual grant value set out above, a maximum of C$100,000 value may be granted in the form of Options (based on a Black-Scholes calculation).

An Option shall be exercisable during a period established by the Board which shall commence on the date of the grant and shall terminate no earlier than one year and no later than 10 years after the date of grant. The minimum exercise price of an Option will be determined by the Board based on the weighted average closing price of the

Common Shares on the TSX on the five trading days prior to the date such Option is granted. The Omnibus LTIP provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a black-out period. In such cases, the extended exercise period shall be terminated 10 business days after the last day of the black-out period.

The number of DSUs that a participant is entitled to receive in a fiscal year is based upon the percentage that the Board has determined that such participant will receive, in DSUs multiplied by the participant's annual salary or retainer divided by the market value of Common Shares (as set out in the Omnibus LTIP). Each participant is entitled to redeem his or her DSUs within 90 days of his or her separation from the Company, and such DSUs may be settled in cash or Common Shares purchased on the open market.

The Board may determine the number of RSUs (time-vested and performance-vested) to be granted to a participant, the relevant vesting provisions of such RSUs (to a maximum of December 31 of the calendar year which is three years after the calendar year the RSU is granted), including any performance criteria and period over which such performance criteria must be met, if any and any other terms and conditions prescribed in the Omnibus LTIP. The Board shall determine whether RSUs will be settled in Common Shares issued from treasury or purchased on the secondary market or settled in cash.

The Board may determine the number of SARs to be granted to a participant, whether such SAR is to be settled in Common Shares or the cash equivalent thereof, the vesting period of the SAR (up to a maximum of 10 years from the date of grant) and the exercise price of a SAR, which shall not be less than the applicable market value of Common Shares (as set out in the Omnibus LTIP).

When dividends (other than stock dividends) are paid on Common Shares, participants under the Omnibus LTIP who have been granted Awards shall receive additional Awards, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the participant shall be determined by multiplying the aggregate number of Awards, as applicable, held by the participant on the relevant record date by the amount of the dividend paid by the Company on each Common Share, and dividing the result by the market value (as determined in the Omnibus LTIP) on the dividend payment date.

The following table describes the impact of certain events upon the rights of holders of Awards under the Omnibus LTIP, including termination for cause, resignation, retirement, termination other than for cause and death or long-term disability, subject to the terms of a participant's employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	**Options**	**RSUs, Deferred Share Units and SARs**
Termination for cause	Immediate forfeiture of all unexercised vested and unvested Options	Immediate forfeiture of all unvested RSUs, deferred share units and SARs, as applicable
Termination other than for cause	Forfeiture of all unvested Options upon the earlier of the original expiry date and 90 days after termination to exercise vested Options or such longer period as the Board may determine in its sole discretion	The Company shall settle any vested RSUs, deferred share units and SARs in accordance with their terms, and other unexercised or unvested RSUs, deferred share units and SARs shall immediately vest and be settled on a pro-rated basis based on time elapsed and/or performance criteria, as applicable
Resignation	Forfeiture of all unvested Options upon the earlier of the original expiry date and 90 days after resignation to exercise vested Options or such longer period as the Board may determine in its sole discretion	Forfeiture of all unvested RSUs, deferred share units and SARs, as applicable, and the Company shall settle any vested RSUs, deferred share units and SARs in accordance with their terms

Event Provisions	Options	RSUs, Deferred Share Units and SARs
Retirement	All unvested Options continue to vest in accordance with their terms and any vested unexercised Options shall expire on the earlier of five years after the date of retirement and the original expiry date of the Options	RSUs, deferred share units and SARs shall continue to vest in accordance with their terms. Settlement of RSUs, deferred share units and SARs subject to performance criteria shall be pro-rated for the time elapsed in the performance period up to the date of retirement
Death or long-term disability	Forfeiture of all unvested Options upon the earlier of the original expiry date and 12 months after date of death or long-term disability to exercise vested Options or such longer period as set out by the Board in its sole discretion	RSUs, deferred share units and SARs shall continue to vest for a maximum period of 12 months or until the vesting date set out in the grant agreement (whichever is shorter) and settle within 30 days of such period.

In connection with a change of control of the Company, the Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, provided that the Board may accelerate the vesting of Awards if: (i) the required steps to cause the conversion or exchange or replacement of Awards are impossible or impracticable to take or are not being taken by the parties required to take such steps (other than the Company); or (ii) the Company has entered into an agreement which, if completed, would result in a change of control and the counterparty or counterparties to such agreement require that all outstanding Awards be exercised immediately before the effective time of such transaction or terminated on or after the effective time of such transaction. If a participant is terminated without cause during the 24 month period following a change of control, any Awards then outstanding shall automatically vest so that (i) Options may be exercised in whole or in part by the participant for 90 days thereafter or prior to the expiry date in respect thereof, whichever is sooner, and; (ii) other Awards shall vest and the participant shall be entitled to receive and the Company shall issue Common Shares in satisfaction of such Awards.

The Board may, in its sole discretion, suspend or terminate the Omnibus LTIP at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Omnibus LTIP or of any securities granted under the Omnibus LTIP and any grant agreement relating thereto, subject to any required regulatory and TSX approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus LTIP or as required by applicable laws.

The Board may amend the Omnibus LTIP or any securities granted under the Omnibus LTIP at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus LTIP; (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and (iii) be subject to Shareholder approval, where required by law, the requirements of the TSX or the Omnibus LTIP, provided however that Shareholder approval shall not be required for the following amendments and our Board may make any changes which may include but are not limited to:

- any amendments of a “housekeeping” nature, including, without limitation, to clarify the meaning of an existing provision of the Omnibus LTIP, correct or supplement any provision of the Omnibus LTIP that is inconsistent with any other provision of the Omnibus LTIP, correct any grammatical or typographical errors or amend the definitions in the Omnibus LTIP;
- any amendments to the vesting provisions of Awards;
- any amendments to accelerate the date on which any Award may be exercised under the Omnibus LTIP; and

- any amendments of the Omnibus LTIP or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the Common Shares are then listed; or
- any amendments regarding the administration of the Omnibus LTIP.

Notwithstanding the foregoing, Shareholder approval is required for certain amendments to the Omnibus LTIP, including, but not limited to the following:

- any change to the maximum number of Common Shares issuable from treasury under the Omnibus LTIP;
- (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to the Omnibus LTIP; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price;
- any amendment which extends the expiry date of any Award beyond the original expiry date, except in case of an extension due to a black-out period;
- any amendment which expands the authority of the Board to permit assignability of Awards other than as permitted under the Omnibus LTIP;
- adds to the categories of eligible participants who may be designated for participation in the Omnibus LTIP;
- removes or increases the insider participation limit under the Omnibus LTIP; or
- any amendments to the amendment provisions of the Omnibus LTIP.

2025 Omnibus LTIP Awards

In fiscal 2025, Awards granted to each of the Named Executive Officers were calculated by multiplying base salary by a target incentive percentage ranging from 85% to 250%. The employment agreements of each of the Named Executive Officers provide the following target incentive percentage multiples:

	Omnibus LTIP Target Percentage
Rahim Suleman	250%
Jonathan Baksh	85%
Kevin Morris	85%
Mohamad El-Mahmoud	85%
Greg Kroll	85%

Typically, the Board approves a weighting of 30% Options, 50% RSUs (performance-vested) and 20% RSUs (time-vested) to the Named Executive Officers. In 2025, due to the ongoing blackout period related to the strategic review and the corresponding delay in granting awards, the Board approved weighting of 50% RSUs (performance-vested) and 50% RSUs (time-vested) for the 2025 Omnibus LTIP award grants. The 2025 LTIP Awards were granted in June 2025 following the expiry of the blackout period.

RSU (performance-vested) Metrics and Goals

The Board approved the following metrics and weightings as the performance categories of the 2025 RSUs (performance-vested) awards for a three-year performance period, as described below.

Return on Capital Employed ("ROCE") – 70%. Return on capital employed is calculated and assessed against approved target levels.

Environmental, Safety and Governance ("ESG") – 20%. Includes targets regarding environmental, sustainability and governance achievements against key performance indicators approved by the Board.

Strategic Priorities – 10%. A subjective measure of achievement against strategic objectives reviewed by the Board in the first quarter of the year following the end of the performance period.

Vesting of 2022 RSU (performance-vested)

In 2022, the Board approved the grant of RSUs (performance-vested) (the "**2022 PSUs**") to certain of the Named Executive Officers with the following performance criteria both consolidated business and business segment: ROCE; ESG; and Strategic Priorities, for a performance period ending December 31, 2025 and which vested in June 2025. Each of these metrics is discussed in more detail below:

ROCE. ROCE is defined as net operating profit after tax divided by average capital employed. Net operating profit after tax is adjusted to exclude one-time, non-recurring, and other selected items that are not considered appropriate determinants of long-term operating performance, consistent with Neo's internal performance management framework. Capital employed is adjusted to exclude goodwill, intangible assets, and other select items that do not reflect the capital base used to generate ongoing operating returns during the performance measurement period.

ESG. The components of this metric include achievement of certain targets relating to environmental, social and governance goals including collection, analysis and establishment of appropriate benchmarks for environmental key performance indicators; drafting and publication of ESG Reports in each of 2022 and 2023; and demonstration of improved environmental performance in 2024 relative to 2022 (ie reduced greenhouse gas emissions; improvements on water discharge and air emissions); and

Strategic Priorities. Qualitative assessment of achievement against strategic objectives reviewed by the Board in the first quarter of the year.

2022 PSU Performance Criteria is comprised of the following factors:

Metric	Weight	Threshold to Target	Target	Target to Superior	Achievement – Percentage of Target	Weighted Contribution to Performance Factor
ROCE	70%	Payout determined based upon results between 80% to 99% of target.	Payout determined based upon results between 99% to 101% of target.	Payout determined based upon results between 101% to 120% of target.	150%	105%
ESG	20%	Payout determined based upon results between 80% to 99% of target.	100%	Payout determined based upon results between 101% to 120% of target.	100%	20%
Strategic Priorities	10%	Payout determined based on achievement between 80 to 99% of target.	100%	Payout determined based on achievement between 101 and 120% of target.	100%	10%
				Total Performance Factor		**135%**

In June 2025, the 2022 PSUs for the Named Executive Officers vested as follows:

	Number of 2022 PSUs	Performance Factor	PSUs vested[(1)(2)]
Rahim Suleman	15,765	135%	12,180
Jonathan Baksh	nil	n/a	n/a
Kevin Morris	13,945	135%	13,273
Greg Kroll	12,245	135%	12,347
Mohamad El-Mahmoud	nil	n/a	n/a

Notes:

(1) Including Dividend Equivalents.

(2) The net amount of Common Shares to be issued on settlement of the 2022 PSUs. The tax withholding amount is settled in cash and withheld for tax payment.

The Option Plan

Prior to the adoption of the Omnibus LTIP, the Company adopted a stock option on October 13, 2017 (the "**Option Plan**"). Any Options outstanding under the Option Plan continue to be governed by the terms of the Option Plan. No further Options will be granted under the Option Plan.

The Legacy Plan

A number of the Named Executive Officers were entitled to participate in the Legacy Plan, the purpose of which was to align the interests of participants with those of shareholders of Neo Cayman providing incentive compensation opportunities tied to performance of the securities of Neo Cayman. The Legacy Plan authorized the granting of equity-based compensation in the forms of options to purchase ordinary shares of Neo Cayman ("**Legacy Options**"), restricted share units, and two series of performance units. No further grants will be made under the Legacy Plan.

The Company has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan. The number of Common Shares to be issued pursuant to the terms of the Legacy Options reflects the application of the exchange rate applied on the completion of the Arrangement.

In the event of a stock dividend, extraordinary cash or stock dividend or other distribution or payment with respect to the Common Shares, among other events, the Legacy Plan (as assumed by the Company) provides that the Board shall, in good faith to be equitable to the holders of the Legacy Options (to prevent, among other things, dilution or enlargement of the rights of the holders), make appropriate adjustments to the applicable securities, underlying securities and/or the exercise prices of the respective awards.

Clawback Policy

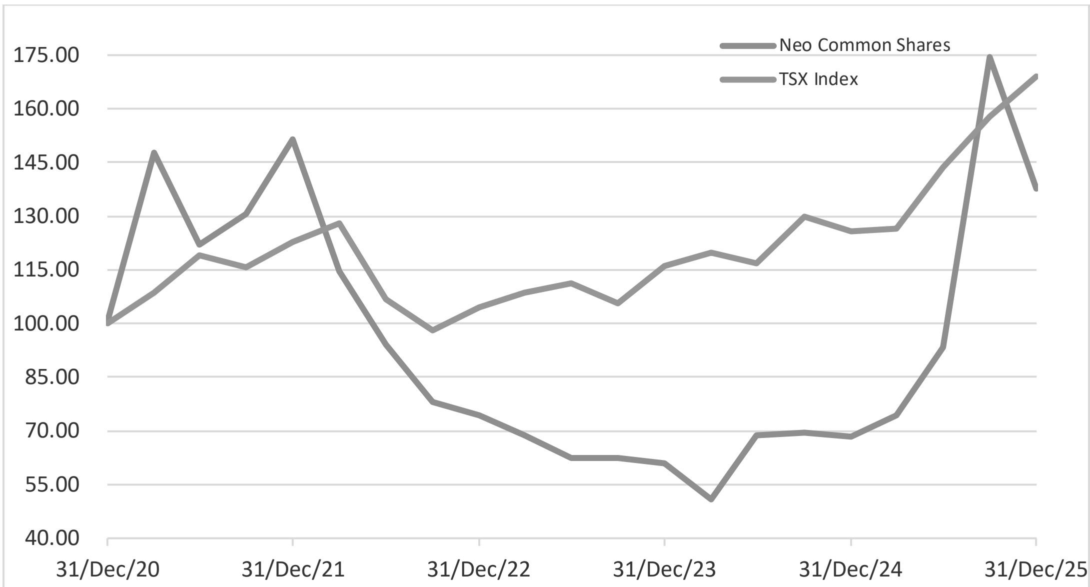
The Board has adopted an incentive compensation clawback policy that allows the Company to recover, from current and former executives, certain incentive compensation amounts awarded or paid to individuals, including equity-based incentive awards, if the individuals engaged in fraud or willful misconduct that led to inaccurate financial results reporting, regardless of whether the misconduct resulted in a restatement of all or part of the Company's financial statements.

Use of Financial Instruments

The Company does not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. To the best knowledge of management of the Company, no directors or Named Executive Officers have engaged in any such financial instruments.

Performance Graph

The following line graph compares the cumulative return of the Common Shares based on the trading prices of the Common Shares on the TSX with the total return of the S&P/TSX Composite Index value (the "**TSX Index**") for the five most recently completed fiscal years. The Common Shares trade on the TSX and the graph assumed that the dividends paid on the Common Shares were reinvested on the date paid.



	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025
TSX Index	100.00	122.78	104.55	116.15	125.65	169.06
Common Shares	100.00	151.47	74.21	61.08	68.43	137.65

The market price of the Common Shares is subject to fluctuation based on several factors, many of which are outside the control of the Company. These include market perception of the Company's ability to achieve business goals, trading volume in the Common Shares, changes to the general condition of the economy and the financial markets or other general industry developments that affect the Company. Accordingly, the Company's share price and total Shareholder return over the measurement period may not be reflective of the Company's financial performance or management's efforts in enhancing Shareholder value.

Compensation for the Named Executive Officers consists of different components. The Company provides Named Executive Officers with a base salary in order to attract and retain quality employees and to compensate them for services rendered during the year having regard to such individual's role and level of responsibility and the importance of the position to the Company. Accordingly, base salaries for the Named Executive Officers have generally remained relatively stable over the measurement period given that the determination of base salary having regard to the foregoing factors does not depend on the market price of the Common Shares or total Shareholder return. Short-term incentive plan awards in the form of annual cash bonuses are based on performance relative to targets and therefore, while awards are determinable having regard to an indicator of the Company's financial performance, they do not depend on the market price of the Common Shares or total Shareholder return. In that regard, short-term incentive plan awards have both increased and decreased over the measurement period. Finally, while individual awards under the Legacy Plan, the Stock Option Plan and the Omnibus LTIP are awarded on the basis described above, the value of an option-based award or share-based award will fluctuate based on the Company's share price, thereby aligning the interests of Named Executive Officers with those of the Company's Shareholders.

Compensation for Named Executive Officers includes base salary, short-term incentive plan awards, and option-based or share-based awards. Base salaries are stable and decided based on the individual's role and responsibility, not the market price of shares. Annual cash bonuses from short-term incentive plans are tied to performance targets and financial indicators, and are also unaffected by share prices. Awards under the Legacy Plan, Stock Option Plan, and Omnibus LTIP fluctuate with the Company's share price, aligning officers' interests with shareholders.

Risks Associated with Compensation Policies and Practices

The oversight and administration of the Company's executive compensation program requires the Compensation and Human Resources Committee to consider risks associated with the Company's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual reviews and also throughout the year whenever it is deemed necessary by the Compensation and Human Resources Committee. Compensation risk is managed from different perspectives to ensure a comprehensive approach to mitigating risk.

The Company's executive compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its Shareholders. In each case, the Company seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include: (i) financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk-taking that could affect compensation; (ii) balancing base salary and variable compensation elements; and (iii) spreading compensation across short and long-term programs.

Compensation of Named Executive Officers

The following table sets out information concerning the targeted compensation to be earned by, paid to or awarded to the Named Executive Officers for the fiscal years ending December 31, 2025, 2024 and 2023.

(US$)					Non-equity incentive plan compensation				
Name and principal position	**Year**	**Salary[1]**	**Option-based awards[2]**	**Share-based awards**	**Annual incentive plans[3]**	**Long-term incentive plans**	**Pension value[4]**	**All other compensation**	**Total compensation[1]**
Rahim Suleman[6].............	2025	669,464	—	2,899,563[9][13]	1,098,131	—	11,852	56,051	4,735,061
President & Chief Executive Officer	2024	657,030	521,889	331,271[10]	1,194,152	—	11,524	55,826	2,771,693
	2023	551,975	449,104	1,033,186[11]	428,247	—	11,403	59,476	2,533,391
Jonathan Baksh[7].............	2025	311,075	—	458,165[13]	245,325	—	9,280	9,242	1,033,108
Executive Vice President & Chief Financial Officer	2024	305,300	82,455	52,342[12]	268,233	—	9,159	7,077	724,566
	2023	163,392	69,563	173,803	63,988	—	8,170	3,529	482,444
Kevin Morris	2025	465,946	—	700,730[13]	395,087	—	14,000	77,861	1,653,624
Executive Vice President and Chief Strategy Officer	2024	456,809	122,373	77,676[12]	431,825	—	13,800	25,968	1,128,451
	2023	447,851	100,001	239,192	190,315	—	13,200	74,458	1,065,017

(US$)					Non-equity incentive plan compensation				
Name and principal position	**Year**	**Salary[1]**	**Option-based awards[2]**	**Share-based awards**	**Annual incentive plans[3]**	**Long-term incentive plans**	**Pension value[4]**	**All other compensation**	**Total compensation[1]**
Greg Kroll	2025	409,193	—	615,392[13]	303,967	—	14,000	13,686	1,356,238
Executive Vice President, Magnequench	2024	401,170	107,467	68,229[12]	331,107	—	13,800	12,512	934,286
	2023	393,300	87,816	210,062	133,010	—	13,200	11,327	848,715
Mohamad El-Mahmoud[8]	2025	433,224	—	565,715[13]	386,783	—	10,540	23,221	1,419,483
Executive Vice President, C&O and Rare Metals	2024	341,580	95,654	60,726[12]	341,579	—	8,721	17,962	866,222
	2023	59,485	103,872	192,597	92,927	—	1,469	2,163	452,513

Notes:

(1) The Company reports its financial statements in U.S. dollars and the table above is shown in U.S. dollars. Messrs. Morris and Kroll are paid in U.S. dollars. Compensation for (i) Messrs. Suleman and Baksh is made in Canadian dollars, and (ii) Mr. El-Mahmoud is made in Euros, but has been converted for the table above at the Bank of Canada at December 31, 2025 of $1.00 = C$1.3706 and $1.00=€0.8524.

(2) The fair value of Option-Based awards are estimated using the Black-Scholes option pricing model. The Company has adopted fair value accounting for Options using the Black-Scholes fair value option pricing model, as established methodology. Options granted in 2024, the assumptions used in the Black-Scholes pricing model were as follows: dividend yield of 6.4%; expected volatility of 51%; risk free-interest rate of 4.3% and exercise price of $4.52. For Options granted in 2023, the assumptions used in the Black-Scholes pricing model were as follows: dividend yield of 5.0%; expected volatility of 53.9%; risk free-interest rate of 3.9% and exercise price of $6.32. For Options granted in 2022, the assumptions used in the Black-Scholes pricing model were as follows: dividend yield of 2.5%; expected volatility of 43.0%; risk free-interest rate of 2.5% and exercise price of $13.22. Options vest in one-third tranches on the first, second and third anniversaries of the respective grant dates.

(3) Annual incentive plan amount payable in respect of the preceding financial year are paid in March or April of the following financial year.

(4) Pension amounts represent contributions of the Company to a defined contribution retirement savings or 401(k) plan.

(5) All other compensation may include a variety of types of compensation, such as car allowance, air and ground transportation, insurance premiums and reimbursement of certain expenses.

(6) Mr. Suleman was appointed President and Interim Chief Financial Officer on January 1, 2023. On July 7, 2023, Mr. Suleman was appointed President & Chief Executive Officer.

(7) Mr. Baksh was appointed Executive Vice President and Chief Financial Officer on June 19, 2023.

(8) Mr. El-Mahmoud was appointed the Executive Vice President, Rare Metals on November 1, 2023 and appointed the Executive Vice President, C&O and Rare Metals on September 30, 2024.

(9) Comprised of an aggregate value of (i) $836,785 worth of RSUs (time-vested), one third-of which vest on each of the first, second and third anniversaries of the grant date, and (ii) $1,225,775 worth of RSUs (performance-vested) (with a weighting of 70% ROCE, 20% ESG and 10% strategic goals (during the period ending on December 31, 2026), and (iii) $836,785 worth of RSUs (performance-vested) (with a weighting of 70% ROCE, 20% ESG and 10% strategic goals) during the period ending on December 31, 2027.

(10) Comprised of an aggregate value of $331,231 worth of RSUs (time-vested), one-third of which vest on each of the first, second and third anniversaries of the grant date. In 2024, the Board approved the grant of RSUs (performance vested) to Mr. Suleman but these awards were not granted in 2024 due to the blackout implemented in connection with the strategic review process. The value of such RSU (performance vested) is included in the 2025 share-based award values as they were granted in June 2025.

(11) Comprised of an aggregate value of (i) $295,196 worth of RSUs, one-third of which vest on each of the first, second and third anniversaries of the grant date, and (ii) $737,990 worth of RSUs (performance vested) (with a weighting of 70% ROCE, 20% ESG and 10% strategy goals) during the period ending on December 31, 2025.

(12) This amount reflects the aggregate value of RSUs (time vested) that were granted to the Named Executive Officer in March 2024. In 2024, the Board approved the grant of RSU (performance-vested) awards to the Named Executive Officers but these awards were not granted in 2024 due to the blackout implemented in connection with the strategic review process. The value of such RSU (performance vested) is included in the 2025 share-based award values as they were granted in June 2025.

(13) Typically, the Board approves a weighting of 30% Options, 50% RSUs (performance-vested) and 20% RSUs (time-vested) to the Named Executive Officers. In 2025, due to the ongoing blackout period related to the strategic review and the corresponding delay in granting awards, the Board approved weighting of 50% RSUs (performance-vested) and 50% RSUs (time-vested) for the 2025 Omnibus LTIP award grants. The 2025 LTIP Awards were granted in May 2025 following the expiry of the blackout period. This amount also includes the RSUs (performance-vested) that were approved in 2024 but not granted due to the ongoing blackout period implemented in connection with the strategic review process.

Chief Executive Officer Compensation

Each year, based on an in-depth review of target compensation for the President and Chief Executive Officer, the Compensation and Human Resources Committee recommends and the Board approves compensation targets for the next fiscal year. The Compensation and Human Resources Committee considers the scope of the role, progress in demonstrating key leadership capabilities and progress towards previously set consolidated business and personal targets and strategic initiatives. Mr. Suleman was appointed President and Chief Executive Officer on July 7, 2023, following his tenure as President and Interim Chief Financial Officer since January 1, 2023 and prior thereto as Executive Vice President and Chief Financial Officer. Mr. Suleman entered into a new employment agreement on his appointment as President and Chief Executive Officer, which provides for an annual salary of C$900,000 (subject to inflationary increases), a target annual incentive award of 125% of base salary, and LTIP awards at a target level of not less than 250% of base salary. Fifty percent of the target annual incentive award is based on progress towards personal and consolidated business goals and the remaining fifty percent of which is based the Board's assessment of progress towards various strategic objectives. The target distribution of LTIP awards is comprised of 30% Options, 20% RSUs (time-vested) and 50% RSUs (performance-vested). In 2024, Mr. Suleman was granted Options and RSU (time-vested), which were subject to vesting in one-third tranches on each of the first, second and third anniversaries. Due to the implementation of a blackout period in connection with the strategic review, the RSUs (performance-based) to be granted to Mr. Suleman were not granted in 2024. In 2025, the grant of LTIP awards was delayed due to the ongoing blackout period and as a result were granted in June 2025. As a consequence of the delayed grant, the grant consisted of 50% RSUs (performance-vested) and 50% RSUs (time-vested) as well as the grant of the RSU (performance-vested) approved in 2024. The RSU (performance-vested) awards and which are subject to performance criteria with a weighting of 70% ROCE, 20% ESG and 10% strategy goals. See also "*Statement of Executive Compensation – Elements of 2025 Compensation of Named Executive Officers – Other Compensation – Long Term Incentives – 2025 Omnibus LTIP Awards*."

Incentive Plan Awards – Outstanding Option-Based and Share-Based Awards

The following table indicates, for each of the Named Executive Officers, a summary of the value of option-based awards and share-based awards outstanding as at December 31, 2025.

	Option-based Awards				**Share-Based Awards**		
Name	**Number of securities underlying unexercised Options (#)**	**Option exercise price ($)**	**Option Expiration Date**	**Value of unexercised in-the-money Options[(2)] ($)**	**Number of share-based awards that have not vested**	**Market or payout value of share-based awards that have not vested[(2)] ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Rahim Suleman	168,004[(1)]	9.37	Sept 1, 2026	331,100	619,491	7,032,891	Nil
	30,725	14.29	Aug 31, 2028	Nil			
	24,890	12.18	Mar 27, 2029	Nil			
	187,970	6.46	June 22, 2030	918,826			
	308,810	4.48	Mar 27, 2031	3,537,368			
Jonathan Baksh	29,115	6.46	June 22, 2030	12,319	99,304	1,127,365	Nil
	48,790	4.48	Mar 27, 2031	558,882			

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option Expiration Date	Value of unexercised in-the-money Options[2] ($)	Number of share-based awards that have not vested	Market or payout value of share-based awards that have not vested[2] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Kevin Morris	168,004[1]	9.37	Sept 1, 2026	331,100	147,964	1,679,790	Nil
	27,430	14.29	Aug 31, 2028	Nil			
	22,015	12.18	Mar 27, 2029	Nil			
	41,855	6.46	June 22, 2030	204,594			
	72,410	4.48	June 22, 2031	829,445			
Greg Kroll	22,960	14.29	Aug 31, 2028	Nil	105,326	1,195,734	Nil
	19,335	12.18	Mar 27, 2029	Nil			
	36,755	6.46	June 22, 2030	179,664			
	63,590	4.48	Mar 27, 2031	728,413			
Mohamad El-Mahmoud	43,475	5.22	Nov 21, 2030	266,619	128,004	1,453,190	Nil
	56,600	4.48	Mar 27, 2031	648,324			

Notes:

(1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.

(2) The value assumes that all Options have vested and is calculated based on the share price on December 31, 2025 and using the Bank of Canada exchange rate as at December 31, 2025 of $1.00 = C$1.3706.

Incentive Plan Awards – Value Vested or Earned

The following table indicates, for each of the Named Executive Officers, a summary of the value of option-based awards and share-based awards vested in accordance with their terms during the fiscal year ending December 31, 2025.

Name	Option-based awards – Value vested during the fiscal year ($)[1]	Share-based awards – Value vested during the fiscal year ($)[2]	Non-equity incentive plan compensation – value earned during the fiscal year ($)[3][4]
Rahim Suleman	1,013,751	2,189,871	1,098,131
Jonathan Baksh	159,216	311,096	245,345
Kevin Morris...	234,088	719,368	395,087
Greg Kroll	205,571	352,213	303,967
Mohamad El-Mahmoud.......................	218,448	448,609	386,783

Notes:

(1) Calculated using the share price as of December 31, 2025 less the exercise price of the applicable Option.

(2) Represents the RSUs and PSUs granted under the Legacy Plan that vested during the year and is calculated using the share price as of December 31, 2025.

(3) Represents the annual incentive plan earned for 2025 and paid in 2026.

(4) The annual incentive component of non-equity incentive plan compensation for Messrs. Suleman, Baksh and El-Mahmoud is calculated and paid in Canadian dollars and Euros, as applicable, and has been converted into U.S. dollars for the table above at the Bank of Canada exchange rate for the year ended December 31, 2025 of $1.00 = C$1.3706 and $1.00 = €0.8524.

Retirement Plan Benefits

All of the Named Executive Officers participate in a defined contribution retirement savings plan. The Company together with its affiliates contribute the following amounts directly to the individuals' retirement savings account:

(1) 5% of combined base salary and bonus (to a maximum of C$16,245 in 2025) for Messrs. Suleman and Baksh;

(2) 4% of combined base salary and bonus (to a maximum of $14,000 for 2025) for Messrs. Morris and Kroll; and

(3) 9.3% of combined base salary and bonus (to a maximum of €8,984 for 2025) for Mr. El-Mahmoud.

Defined Contribution Retirement Savings Plan Table

Name	**Accumulated Value at Start of Year** ($)	**Compensatory Amount ($)[2]**	**Accumulated Value at Dec. 31, 2025** ($)
Rahim Suleman[1]	280,519	11,852	326,822
Jonathan Baksh[1]	39,814	9,280	67,970
Kevin Morris	701,314	14,000	853,323
Greg Kroll	1,623,233	14,000	1,989,404
Mohamad El-Mahmoud	8,815	10,540	19,355

Notes:

(1) For Messrs. Suleman, Baksh and El-Mahmoud, the values are shown as converted from Canadian dollars or Euros, as applicable, converted into U.S. dollars for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2025 of $1.00 = C$1.3706 and $1 = €0.8524.

(2) Indicates the contributions of the Company to a defined contribution retirement savings or 401(k) plan.

Employee Agreements and Termination and Change of Control Benefits

Each of the Named Executive Officers has an employment agreement with Neo or a subsidiary thereof, that contain termination payment provisions. These agreements are reviewed from time to time and amended accordingly subject to Board approval.

Rahim Suleman – President and Chief Executive Officer

Rahim Suleman, the President and Chief Executive Officer, entered into an employment agreement with Neo on July 7, 2023, with an indefinite term. The employment agreement provides that Mr. Suleman will be employed as President and Chief Executive Officer of Neo and its affiliates and supersedes and replaces prior employment agreements.

If Neo terminates Mr. Suleman's employment as a result of the death or disability of Mr. Suleman or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Company estimates that if Mr. Suleman's employment had been terminated on December 31, 2025 for the reasons described above, no further payments would have been made to Mr. Suleman beyond what is due to him on such date.

Upon the termination by Neo of the employment of Mr. Suleman other than for cause or Mr. Suleman terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) in a single payment within 30 days of the date of termination, an amount equal to 24 months of his base salary plus 24 months of employee benefits (other than short and long-term disability benefits) for the 24 month period set out in (ii) above. The Company estimates that if Mr. Suleman's employment had been terminated on December 31, 2025 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately $2,252,127 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a “change of control” (as defined in Mr. Suleman's employment agreement), Neo terminates Mr. Suleman's employment, or Mr. Suleman terminates his employment for good reason, Neo shall pay to him a lump sum “change of control” payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (iv) employee benefits (other than short and long-term disability benefits) for the 24 month period following the date of retirement; and (v) a lump sum payment, in an amount equal to the difference between C$4 million and the realized pre-tax vale of any awards granted to Mr. Suleman after May 1, 2023 pursuant to the Omnibus LTIP, after giving effect to any accelerated vesting of such awards. The Company currently estimates that in the event that the “change of control” provisions were triggered in 2025 and Mr. Suleman had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2025, Mr. Suleman would have been entitled to a lump sum “change of control” payment of up to approximately $2,252,127 (excluding supplementary benefits, value from accelerated equity vesting and other perquisites).

In each of the cases described above, the Company will settle any long-term incentive awards in accordance with the provisions of the application plan governing such awards.

Jonathan Baksh – Executive Vice President and Chief Financial Officer

Jonathan Baksh, the Executive Vice President and Chief Financial Officer, entered into an employment agreement with Neo on June 19, 2023, with an indefinite term. The employment agreement provides that Mr. Baksh will be employed as Executive Vice President and Chief Financial Officer of Neo and its affiliates.

If Neo terminates Mr. Baksh's employment as a result of the death or disability of Mr. Baksh or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Company estimates that if Mr. Baksh's employment had been terminated on December 31, 2025 for the reasons described above, no further payments would have been made to Mr. Baksh beyond what is due to him on such date.

Upon the termination by Neo of the employment of Mr. Baksh other than for cause or Mr. Baksh terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) in a single payment within 30 days of the date of termination, an amount equal to 12 months of his base salary plus one month of his base salary for each year of completed employment up to a maximum of 12 years; and (iii) employee benefits (other than short and long-term disability benefits) for up to the 24 month period set out in (ii) above. The Company estimates that if Mr. Baksh's employment had been terminated on December 31, 2025 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately $586,910 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a “change of control” (as defined in Mr. Baksh's employment agreement), Neo terminates Mr. Baksh's employment, or Mr. Baksh terminates his employment for good reason, Neo shall pay to him a lump sum “change of control” payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 24 month period following the date of retirement. The Company currently estimates that in the event that the “change of control” provisions were triggered in 2025 and Mr. Baksh had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2025, Mr. Baksh would have been entitled to a lump sum “change of control” payment of up to approximately $863,800 (excluding supplementary benefits, value from accelerated equity vesting and other perquisites).

In each of the cases described above, the Company will settle any long-term incentive awards in accordance with the provisions of the applicable plan governing such awards.

Kevin Morris – Executive Vice President and Chief Strategy Officer

Kevin Morris, the Executive Vice President and Chief Strategy Officer, entered into the third amended and restated employment agreement with Neo Chemicals & Oxides, LLC (“**Neo C&O**”) on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Morris will be employed as Executive Vice President and Chief Operating Officer of Neo and its affiliates. On January 1, 2023, Mr. Morris ceased to be the Chief Operating Officer and was appointed Executive Vice President and Chief Strategy Officer.

If Neo C&O terminates Mr. Morris' employment as a result of the death or disability of Mr. Morris or willful failure to properly perform his duties, Neo C&O shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation to the date of termination. The Company estimates that if Mr. Morris' employment had been terminated on December 31, 2025 for the reasons described above, no further payments would have been made to Mr. Morris beyond what is due to him up to such date.

Upon the termination by Neo C&O of the employment of Mr. Morris for other than for cause or Mr. Morris terminates his employment for good reason, Neo C&O shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) over a period of 24 months, an amount equal to 18 months of his base salary plus one additional month of salary for every full year of service, to a maximum of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for the 18 month period. The Company estimates that if Mr. Morris' employment were to have been terminated on December 31, 2025 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately $1,395,900 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a “change of control” (as defined in Mr. Morris' employment agreement), Neo C&O terminates Mr. Morris' employment, or Mr. Morris terminates his employment for good reason, Neo C&O shall pay to him a lump sum “change of control” payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Company currently estimates that in the event that the “change of control” provisions were triggered in 2025 and Mr. Morris had terminated his employment for good reason accordance with his employment agreement with an effective date of December 31, 2025, Mr. Morris would have been entitled to a lump sum “change of control” payment of up to approximately $1,374,500 (excluding supplementary benefits value, from accelerated equity vesting and other perquisites).

In each of the cases described above, the Company will settle any long-term incentive awards in accordance with the provisions of the applicable plan governing such awards.

Greg Kroll – Executive Vice President, Magnequench

Greg Kroll, the Executive Vice President, Magnequench, entered into an employment agreement with Neo Singapore on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Kroll will be employed as Executive Vice President, Magnequench.

If Neo Singapore terminates Mr. Kroll's employment as a result of the death or disability of Mr. Kroll or willful failure to properly perform his duties, Neo Singapore shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Company estimates that if Mr. Kroll's employment were to have been terminated on December 31, 2025 for any of the reasons described above, no further payments would be made to Mr. Kroll beyond what is due to him up to such date.

Upon the termination by Neo Singapore of the employment of Mr. Kroll other than for cause or Mr. Kroll terminates his employment for good reason, the Company shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) an amount equal to twice his base salary over a period of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for 18 months. The Company estimates that if Mr. Kroll's employment were to have been terminated on December 31, 2025 for the reasons described above, he would have been entitled to an aggregate payment of up to approximately $1,184,800 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a “change of control” (as defined in Mr. Kroll's employment agreement), Neo Singapore terminates Mr. Kroll's employment, or Mr. Kroll terminates his employment for good reason, Neo Singapore shall pay to him a lump sum “change of control” payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Company currently estimates that in the event that the “change of control” provisions were triggered in 2025 and Mr. Kroll had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2025, Mr. Kroll would have been entitled to a lump sum “change of control” payment of up to approximately $1,170,900 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

In each of the cases described above, the Company will settle any long-term incentive awards in accordance with the provisions of the applicable plan governing such awards.

Mohamad El-Mahmoud – Executive Vice President, C&O and Rare Metals

Mohamad El-Mahmoud, the Executive Vice President, C&O and Rare Metals, entered into an employment agreement with NMT Holdings GmbH (“**NMT**”) on July 31, 2023, with an indefinite term. The employment agreement provides that Mr. El-Mahmoud will be employed as Executive Vice President, Rare Metals. In September 2024, Mr. El-Mahmoud was appointed the Executive Vice President, C&O and Rare Metals.

If NMT terminates Mr. El-Mahmoud's employment as a result of the death or disability of Mr. El-Mahmoud or willful failure to properly perform his duties, NMT shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Company estimates that if Mr. El-Mahmoud's employment were to have been terminated on December 31, 2025 for any of the reasons described above, no further payments would be made to Mr. El-Mahmoud beyond what is due to him up to such date.

Upon the termination by NMT of the employment of Mr. El-Mahmoud other than for cause or Mr. El-Mahmoud terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) in a single payment within 30 days of the date of termination, an amount equal to 12 months of his base salary plus one month of his base salary for each year of completed employment up to a maximum of 12 years. The Company estimates that if Mr. El-Mahmoud’s employment had been terminated on December 31, 2025 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately $826,700 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a “change of control” (as defined in Mr. El-Mahmoud's employment agreement), NMT terminates Mr. El-Mahmoud's employment, or Mr. El-Mahmoud terminates his employment for good reason, NMT shall pay to him a lump sum “change of control” payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites. The Company currently estimates that in the event that the “change of control” provisions were triggered in 2025 and Mr. El-Mahmoud had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2025, Mr. El-Mahmoud would have been entitled to a lump sum “change of control” payment of up to approximately $1,183,800 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

In each of the cases described above, the Company will settle any long-term incentive awards in accordance with the provisions of the applicable plan governing such awards.

Director Compensation

The directors' compensation program is designed to attract and retain qualified individuals to serve on the Board. Non-executive directors are paid an annual retainer fee, with additional amounts paid to each chair of the Board, Compensation and Human Resources Committee and Audit Committee. The Board is satisfied that it's fee structure is reasonable for a company that operates in 10 countries and shares many of the complexities of other global multi-national organizations having significantly higher market capitalizations.

Director Share Units

In 2018, the Company adopted a Directors Share Unit Plan (the “**DSU Plan**”) for members of the Board, which was amended in December 2020. The DSU Plan was replaced by the Omnibus LTIP in May 2021. The Compensation and Human Resources Committee determined, once a year, what portion of the directors' annual remuneration shall be paid as director share units (“**DSUs**”). DSUs are fully vested upon issuance, and accumulate dividend equivalents in the form of additional DSUs based on the dividends paid on the Common Shares. DSUs are redeemable for cash only following retirement from the Board or death of the director. The value of the DSU when converted to cash will be equivalent to the market value of the Common Shares at the time the conversion takes place.

The following table sets out the fee structure of the Board as at December 31, 2025:

(all figures in US$)	Cash Portion(4)	DSU Portion(4)	Total
Board Chair Retainer	140,000	100,000	240,000
Non-Executive Board Member Retainer	80,000	90,000	170,000
Audit Committee Chair Retainer	20,000	Nil	20,000
Audit Committee Member Retainer	7,000	Nil	7,000
Compensation and Human Resources Committee Chair Retainer	10,000	Nil	10,000
Compensation and Human Resources Committee Member Retainer	5,000	Nil	5,000
Corporate Governance and Nominating Committee Chair Retainer	10,000	Nil	10,000
Corporate Governance and Nominating Committee Member Retainer	5,000	Nil	5,000
HESS Committee Chair Retainer	10,000	Nil	10,000
HESS Committee Member Retainer	5,000	Nil	5,000

Notes:

(1) All directors are entitled to reimbursement of reasonable expenses incurred by them acting in their capacity as directors.
(2) No directors fees are payable to directors who are executive officers of the Company.
(3) Directors may be entitled to additional fees in the event that any ad hoc or other committees of the Board are struck from time to time.
(4) DSUs are granted to non-executive directors as part of their overall compensation arrangements. DSUs are granted pursuant to the Omnibus LTIP and settled in cash at retirement based on the then current value of Common Shares.

Director compensation table

In 2025, cash fees were paid to non-executive directors and directors were reimbursed for miscellaneous out-of-pocket expenses incurred in carrying out their duties as directors.

The following table sets out the total compensation earned by each non-executive director who served in that capacity for any part of the most recently completed financial year:

Name	Fees earned ($)	Option Based Awards	Share Based Awards[1] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	Other Compensation ($)	Total[2] ($)
Edgar Lee	152,100[5]	Nil	110,516	Nil	Nil	Nil	262,616
Eric Noyrez	97,500	Nil	99,464	Nil	Nil	9,729[4]	206,693
G. Gail Edwards	105,000	Nil	99,464	Nil	Nil	Nil	204,464
Hua Du	118,100[5]	Nil	99,464	Nil	Nil	Nil	217,565
Jonathan Evans	45,000	Nil	49,732	Nil	Nil	Nil	94,732
Paul Mascarenas	46,000	Nil	49,732	Nil	Nil	Nil	95,732
Claire M.C. Kennedy[3]	162,100[5]	Nil	Nil	Nil	Nil	Nil	162,100
John McGarva[3]	91,000	Nil	Nil	Nil	Nil	Nil	91,000

Notes:

(1) Represents amounts issued as DSUs, payable in cash on retirement or death of the director.

(2) Includes fees payable for sitting on standing, ad hoc and special committees of the Board.

(3) Ms. Kennedy and Mr. McGarva retired as directors of the Company on June 26, 2025.

(4) This amount represents the value of Dividend Equivalents paid on Mr. Noyrez's Legacy Options.

(5) Includes fees paid as compensation for services to the Special Committee leading the strategic review process.

Directors' Incentive Plan Awards – Option-Based and Share-Based Awards Outstanding

Certain directors of Neo Cayman, who are now directors of Neo, were granted Legacy Options in 2016 under the Legacy Plan. See "*Other Compensation – The Legacy Plan*" to purchase ordinary shares of Neo Cayman pursuant to the Legacy Plan. Since the Company has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan, the Legacy Options when exercised will result in the issuance of Common Shares rather than ordinary shares of Neo Cayman.

Name	Option-based Awards: Number of securities underlying unexercised Options (#)[1]	Option-based Awards: Option exercise price ($)	Option-based Awards: Option Expiration Date	Option-based Awards: Value of unexercised in-the-money Options ($)	Share-Based Awards: Number of share-based awards that have not vested	Share-Based Awards: Market or payout value of share-based awards that have not vested ($)	Share-Based Awards: Market or payout value of vested share-based awards not paid out or distributed ($)
Eric Noyrez	33,336	9.37	Sept 1, 2026	64,005	Nil	Nil	Nil

Note:

(1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.

Indemnification and Insurance

The Company maintains director and officer liability insurance to limit the Company's exposure to claims against, and to protect, its directors and officers. In addition, the Company or Neo, as the case may be, has entered into indemnification agreements with each of its directors and officers. The indemnification agreements require that the Company or Neo, as the case may be, indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Company as directors and officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in, or not opposed to, the Company's best interests. The indemnification agreements also provide for the advancement of defense expenses to the indemnitees by the Company.

INDEBTEDNESS OF DIRECTORS AND OFFICERS OF THE COMPANY

None of the directors, executive officers, employees, former directors, former executive officers or former employees of the Company and none of their respective associates, is or has been within 30 days before the date of this Information Circular or at any time since the beginning of the most recently completed financial year been indebted to the Company or another entity whose indebtedness is subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by Company, other than routine indebtedness (as defined in applicable securities legislation).

CORPORATE GOVERNANCE OF THE COMPANY

Statement of Corporate Governance Practices

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires certain disclosure regarding the corporate governance practices of the Company. The Company is pleased to make the following disclosure regarding its corporate governance policies.

What We Do

- ✓ **Independent board and committees** – six of seven directors nominees are independent and committees of the Board are comprised of independent directors
- ✓ **Separate role of Board Chair and President and Chief Executive Officer** – the roles are maintained separately and the Board Chair is independent

What We Do	
✓ **Majority voting for directors** – The Board adopted a majority voting policy in 2017	✓ **Strong risk oversight** – the Board and committees oversee risk management and exposure to strategic, financial and operational risks
✓ **ESG metrics are considered for executive compensation** – by including environmental, social and governance (ESG) metrics in executive compensation, our senior management is incentivized to reach our ESG goals annually	✓ **Diverse board** – The Board is comprised a diverse mix of skills, backgrounds and experience.
✓ **Independent Directors on Committees –** our Board committees are comprised of only independent directors (other than for the HESS committee, which includes the CEO)	✓ **ESG oversight** – The HESS Committee reviews and monitors, on behalf of the Board, the overall approach, planning and reporting on ESG matters.
✓ **Independent advice** – Each board committee has full authority to retain independent external advisors to assist, as necessary	✓ **Code of ethics** – The Company adopted a code of ethics and each director, officer and employee must comply with the code. The Board provides oversight of conflicts of interest.
✓ **Shareholder engagement** – The Board engages with Shareholders regularly and encourages Shareholders to provide feedback throughout the year. ✓ **Formal director orientation** – We have a comprehensive orientation process for new directors	✓ **In camera sessions** – Independent directors meet without management present at each Board and committee meeting
What We Do Not Do	
○ **No slate voting** – directors are elected individually	○ **No Options to directors –** we do not grant Options to directors

The Company's articles of incorporation provide that its Board be comprised of a minimum of three and a maximum of 15 directors. In accordance with the OBCA, the Board may appoint one or more additional directors who shall hold office until the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders. Further particulars of the process by which compensation for the executive officers is determined is provided under "*Executive Compensation – Compensation Discussion and Analysis*".

The Company's Board is currently comprised of seven directors: Edgar Lee, Eric Noyrez, Rahim Suleman, G. Gail Edwards, Hua Du, Jonathan Evans and Paul Mascarenas. As Mr. Noyrez will not be standing for re-election at the Meeting, following the Meeting, the Board is expected to be comprised of six directors, five of whom are independent. See "*Matters to be Acted Upon at the Meeting – Election of Directors*" for further information about each of the director nominees.

The Board has established the Audit Committee, the Compensation and Human Resources Committee, the Corporate Governance and Nominating Committee and the HESS Committee and has approved mandates for each of these committees, which are described below. In addition, the Board may appoint ad hoc and special committees from time to time.

The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. The mandate of the Board, as well as the mandates of various Board committees, set out in writing the responsibilities of the Board and the committees for supervising the Chief Executive Officer.

Board of Directors Mandate

The Board, directly and through its committees, oversees management and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including shareholders, employees, clients, suppliers and the community.

The responsibilities of the Board include, among other things, ensuring that:

- all Board members understand the business of the Company;
- processes are in place to effectively plan, monitor and manage the long-term viability of the Company;
- there is a balance between long and short-term goals and risks;
- management's performance is adequate and that an adequate management succession plan is in place;
- communication with shareholders and other stakeholders is timely and effective;
- the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- business is conducted ethically and in compliance with applicable laws and regulations;
- assess and manage risks of the business, including operational, health and safety, IT and cyber security risk; and
- all matters requiring shareholder approval are referred to the Board.

A copy of the mandate of the Board is attached as Appendix "B" to this Information Circular.

Independence

The Board is currently comprised of seven directors: six of whom are independent of management (being Edgar Lee, Eric Noyrez, G. Gail Edwards, Hua Du, Jonathan Evans and Paul Mascarenas) and one of whom (being Rahim Suleman, the President and Chief Executive Officer of the Company) is not independent. Following the Meeting, the Board is expected to be comprised of six directors, five of whom are independent.

In addition to chairing all Board meetings, Mr. Lee's role as the Chair is to facilitate and chair discussions among the Company's independent directors, facilitate communication between the independent directors and the Company's management and, if and when necessary, act as a spokesperson on behalf of the Board in dealing with the press and members of the public. The Board holds regularly scheduled meetings as well as ad hoc meetings from time to time. The independent directors of the Company hold an in camera session at the end of each regularly scheduled meeting of directors. For additional details regarding the number of such meetings of directors, please see "*Directors and Executive Officers – Biographies*".

The Board delegates a number of responsibilities to the Audit Committee, the Compensation and Human Resources Committee, the HESS Committee and the Corporate Governance and Nominating Committee. Where potential conflicts arise during a director's tenure on the Board, such conflicts are expected to be immediately disclosed to the Board.

Audit Committee

The Audit Committee of the Company is responsible for the Company's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Company's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Company's external auditors. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management, and the external auditors and monitors the independence of those auditors. Further information about the Audit Committee can be found at the heading “Audit Committee Disclosure” and in Schedule A of the Company’s Annual Information Form filed on March 19, 2026, which can be found at the Company’s profile on SEDAR+ at www.sedarplus.ca.

Composition of the Audit Committee

Each of the members of the Audit Committee has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. As of the date hereof, the Board members of the Company's Audit Committee are:

Name	Independent	Financially Literate
G. Gail Edwards (Chair)	Yes	Yes
Hua Du	Yes	Yes
Paul Mascarenas	Yes	Yes

Relevant Education and Experience

Name of Member	Relevant Experience and Qualifications
G. Gail Edwards (Chair)	Gail Edwards has been a director of Neo since June 2019. She is a C-suite financial and real estate executive who is currently a director and Audit Committee Chair of Victory Holdco LLP, based in New York and is a director and Chair of the Audit Committee of PODS, based in Clearwater FL. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution and was a director of Amica Senior Lifestyles, based in Toronto and Chair of the Audit Committee. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Public Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.

Name of Member	Relevant Experience and Qualifications
Hua Du	Hua Du has over 25 years of executive experience in a number of industries operating in Asian and global markets leading change in business models, overseeing plant construction, defining strategic plans and developing leadership teams. Mr. Du was the Chief Executive Officer of a biotech-based animal nutrition business, with offices and operations across eight Asian countries from September 2021 to November 2025. Previously, Mr. Du served for 11 years as President of Global Business Units and Executive Committee member at a leading global chemicals and materials company, including manufacturing and distribution of value-added rare earth products. There, he led several global business units with revenues of EUR 5 billion, more than 10,000 employees, and technologies covering a wide range of end markets. Before that, he worked at a specialty chemicals manufacturer for 13 years, driving growth in Asia for its Electronic Materials Group. Mr. Du graduated from Peking University in China and holds a Doctor of Philosophy (Ph.D.) in organic chemistry from the University of Illinois Urbana-Champaign.
Paul Mascarenas	Paul Mascarenas is a Venture Partner with Fontinalis Partners and sits on the boards of directors for a number of multi-national public companies, including United States Steel Corporation, ON Semiconductor and The Shyft Group. In addition, Mr. Mascarenas has served on the audit committees of United States Steel Corporation, Borg Warner and Mentor Graphics. Previously, Mr. Mascarenas was a Corporate Vice President and Chief Technical Officer of Ford Motor Company. Over the course of his career, Mr. Mascarenas has amassed extensive knowledge in business, strategic planning, product development and manufacturing operations, with assignments in the United Kingdom, Germany and the United States. Mr. Mascarenas has also held a number of other advisory roles including the British American Business Council, Magna International, Oak Ridge National Laboratory and the SAE China International Advisory Committee. Mr. Mascarenas holds a Mechanical Engineering degree from King's College, University of London in England and an honorary doctorate degree from Chongqing University in China. In addition he has completed several executive education programs. In December 2014, he was awarded an OBE by Her Majesty Queen Elizabeth II, in recognition of his services to the automotive industry.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Pre-Approval Policies and Procedures

In the event that the Company wishes to retain the services of the Company's external auditors for any non-audit services, prior approval of the Audit Committee must be obtained.

Audit Fees

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

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2024	$2,104,312	$1,544	$341,167	nil
December 31, 2025	$2,175,384	$1,926	$365,560	nil

The nature of the category and description of fees is summarized below.

Audit Fees. The fees disclosed in the table above under the item "Audit Fees" represent fees billed for audit and interim review services performed in connection with Neo's consolidated financial statements.

Audit Related Fees. The fees disclosed in the table above under the item "Audit Related Fees" represent fees related to assurance, due diligence and related services not included in audit services.

Tax Fees. These fees were for tax compliance services and tax advice and planning, including transfer pricing.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is currently composed of three independent directors (being G. Gail Edwards (Chair), Edgar Lee and Paul Mascarenas). This Committee is responsible for: (i) making recommendations to the full Board with respect to developments in the area of corporate governance and the practices of the Board; (ii) developing the Company's approach to governance issues; and (iii) reporting to the Board with respect to appropriate candidates for nominations to the Board, and for evaluating the performance of the Board.

The Board, with the input of the Corporate Governance and Nominating Committee, has focused on Board renewal efforts over the last several years as well as identifying prospective director candidates to add additional or complementary skills to the Board.

HESS Committee

The primary function of the Health, Environment, Safety and Sustainability ("**HESS**") Committee of the Board is to assist the Board in fulfilling its oversight responsibilities relating to the Company's policies, standards, goals and objectives, and compliance systems regarding HESS matters. The HESS Committee shall provide oversight on work relative to: (i) the protection of the health and safety of employees, contractors, customers, and the public; (ii) the protection of Company property; (iii) the protection of the environment and; (iv) the promotion of sustainable business practices. The HESS Committee is currently comprised of Eric Noyrez (Chair), Hua Du, Jonathan Evans and Rahim Suleman. Following the Meeting, the HESS Committee is expected to be comprised of: Hua Du, Jonathan Evans and G. Gail Edwards and Rahim Suleman.

Orientation and Continuing Education

New directors of the Company will participate in an initial information session on the Company in the presence of its senior executive officers to learn about, among other things, the business of the Company, its financial situation and its strategic planning. In addition, new directors will be furnished with appropriate documentation, providing them with information about, among other matters, the corporate governance practices of the Company, the structure of the Board and its committees, the Company's history, its commercial activities, its corporate organization, the charters of the Board and its committees, the Company's articles of incorporation and by-laws, the Code of Conduct (as defined below) and other relevant corporate policies.

The Company encourages all directors to attend continuing education programs and intends to facilitate such continuing education of its directors by providing them with information on upcoming courses and seminars that may be relevant to their role as directors or hosting brief information sessions during Board meetings by invited external advisors. In addition, the Company's management periodically makes presentations to the directors on various topics, trends and issues related to the Company's activities during meetings of the Board or its committees, which is intended to help the directors to constantly improve their knowledge about the Company and its business.

Ethical Business Conduct

The Board has adopted a written Code of Conduct (the "**Code of Conduct**") that applies to all of its directors, officers and employees, as well as its direct and indirect subsidiaries. The objective of the Code of Conduct is to provide guidelines for demonstrating the highest standard of business conduct and enhancing its reputation for honesty, integrity and the faithful performance of undertakings. The Code of Conduct addresses maintaining a positive work environment, conflicts of interest, confidentiality, use and protection of the Company's assets and inventions, use of the Company's email and Internet services, financial integrity, compliance with laws and reporting misconduct. As part of its Code of Conduct, any person subject to the Code of Conduct is required to avoid any activity, interest (financial or otherwise) or relationship that would create or appear to create a conflict of interest.

The directors are responsible for monitoring compliance with the Code of Conduct, for regularly assessing its adequacy, for interpreting the Code of Conduct in any particular situation and for approving changes to the Code of Conduct from time to time. As part of the Board monitoring compliance with the Code of Conduct, the Company has established procedures by which employees can make a confidential report of wrongdoing or suspected wrongdoing through a third-party corporation. The Board receives and reviews such reports on a regular basis.

Directors and executive officers are required by applicable law and the Company's corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and where required by applicable law, to abstain from voting with respect to such agreement or transaction.

A copy of the Code of Conduct may be obtained free of charge by contacting the Company and is available for review under the Company's profile on the SEDAR+ website at sedarplus.ca.

The Company has also adopted a disclosure policy, which complements the obligations of its directors, officers and employees under the Code of Conduct.

Assessments

The Board does not formally review the contribution and effectiveness of the Board, its members or committees. The Board believes that its size facilitates an informal review process through discussion and evaluation between the Chair of the Board, the Chief Executive Officer and the Chair of the Compensation and Human Resources Committee.

Majority Voting Policy

In accordance with the requirements of the TSX, the Company has adopted a majority voting policy in director elections that will apply at any meeting of its shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation as a director to the Chair of the Board promptly following the applicable Shareholders' meeting. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the applicable Shareholders' meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered.

Board Removal

The Company has not adopted term limits or other mechanisms of Board renewal for directors of the Company. The Board believes that the need to have experienced directors who are familiar with the business of the Company must be balanced with the need for renewal, fresh perspectives and a healthy skepticism when assessing management and its recommendations. In addition, as mentioned above, the Board undertakes an assessment process that evaluates its effectiveness.

While term limits can help ensure the Board gains fresh perspective, the Board believes that term limits have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and thereby provide an increasing contribution to the Board as a whole.

Board and Senior Management Diversity

Following the Meeting, the independent directors of the Company will be comprised of 20% women (1 of 5) and 50% racialized and ethnically diverse directors. The senior management team is comprised of 22% women (2 of 9) and 44% (4 of 9) racialized and ethnically diverse persons.

The Company recognizes and embraces the benefits of having diversity on the Board and in its senior management, in particular, having different perspectives, experiences and ideas. The Company also recognizes that the Board and its senior management appointments must be based on performance, ability, merit and potential. Therefore, the Company ensures a merit-based competitive process for appointments. G. Gail Edwards, as the Chair of the Corporate Governance and Nominating Committee ensures that diversity is fully considered by the Board in identifying, evaluating and recommending Board appointees/nominees. The Corporate Governance and Nominating Committee works to identify, evaluate and recommend Board appointees/nominees based on professional experience, merit and expected contribution to the Board. Accordingly, the Company has not adopted a diversity policy at this time.

With respect to the Board composition, as appropriate, the Board will: (i) assess the effectiveness of the Board appointment/nomination process at achieving the Company's diversity objectives; and (ii) consider and, if determined advisable, recommend for adoption, measurable objectives for achieving diversity on the Board. At any given time, the Board may seek to adjust one or more objectives concerning diversity and measure progress accordingly.

By-Laws

Advance Notice Provisions

The by-laws of the Company include certain advance notice provisions with respect to the election of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all Shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote. Only persons who are nominated by Shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of Shareholders, or at any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a Shareholder wishing to nominate a director would be required to provide the Company prior notice, in the prescribed form, within the prescribed time periods. These time periods include: (i) in the case of an annual meeting of Shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of Shareholders; provided, that if the first public announcement of the date of the annual meeting of Shareholders (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting of Shareholders (which is not also an annual meeting) called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy-related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

Forum Selection

The by-laws of the Company include a forum selection provision in its by-laws that provides that, unless the Company consents in writing to the selection of an alternative forum, the Superior Court of Ontario (Commercial List), Canada and the appellate courts therefrom will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on the Company's behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Company's directors, officers, or other employees to the Company; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the applicable corporate laws or the articles of incorporation or the by-laws of the Company (as either may be amended from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the relationships among the Company, its affiliates and their respective shareholders, directors and/or officers, but excluding claims related to the business carried on by the Company or its affiliates and their respective shareholders, directors and/or officers. The forum selection provision also provides that the Company's securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the foregoing provisions.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of December 31, 2025 with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Equity Compensation Plan Information

As at December 31, 2025, the maximum number of securities available to be issued pursuant to equity-based compensation plans are set out below:

Plan Category		**Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2025 (a)**	**Weighted average exercise price of outstanding options, warrants and rights as at December 31, 2025 (C$) (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at December 31, 2025 (c)**
Equity compensation plans approved by Shareholders	Omnibus LTIP - Options(1) - RSUs (time)(2) - RSUs (performance)(2)	 1,325,105 358,630 804,138		1,793,562
	Option Plan(1)	61,165		-
	Legacy Plan (Options)(1)(3)	542,684		-
Equity compensation plans not approved by Shareholders	n/a	nil	n/a	nil
	Total	3,091,722	10.59	1,793,562

Note:

(1) Tax withholdings are settled in cash and the net number of Common Shares issued on exercise.

(2) RSUs are settled in cash and Common Shares. The tax withholding amount is settled in cash and the net number of Common Shares issued on settlement.

(3) Options granted under the Legacy Plan expire on September 1, 2026.

DIRECTOR'S AND OFFICER'S INSURANCE

The Company has purchased, at its expense, director's and officer's liability insurance in the aggregate amount of US$90 million for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Company and its subsidiaries.

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

Except as otherwise disclosed in this Information Circular, no person who has been a director or executive officer of the Company since the beginning of the last financial year, no proposed nominee 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 of securities or otherwise, in any matter to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated below or elsewhere in this Information Circular, no informed person, proposed director nor any associate or affiliate of such foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Company's most recent financial year or any proposed transaction which has materially affected or would materially affect the Company.

OTHER BUSINESS

Management of the Company knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

PART IV
ADDITIONAL INFORMATION

A copy of the following documents may be obtained, without charge, upon request to the Corporate Secretary, Neo Performance Materials Inc., Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9, telephone (416) 367-8588, facsimile (416) 367-5471:

(a) the Financial Statements of the Company for the year ended December 31, 2025 and the management's discussion and analysis thereof; and

(b) this Information Circular.

Additional information relating to the Company is available online from the Company's website at www.neomaterials.com and on SEDAR+ at www.sedarplus.ca. Financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for its most recently completed financial year, a copy of which can be accessed online from the Company's website at www.neomaterials.com and on SEDAR+ at www.sedarplus.ca.

DIRECTORS' APPROVAL

The contents of this Information Circular and the sending of it to the Shareholders of the Company, to each director of the Company, to the auditor of the Company and to the appropriate governmental agencies have been approved by the Board.

Unless otherwise noted, the information contained herein is given as of May 13, 2026.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED: May 13, 2026.

By Order of the Board

/s/ "***Rahim Suleman***"

President and Chief Executive Officer

/s/ "***Karen A. Murray***"

Corporate Secretary

APPENDIX "A"

GLOSSARY OF TERMS

"**Arrangement**" means the Cayman Islands scheme of arrangement completed on November 30, 2017, pursuant to which the Company acquired all of the issued and outstanding ordinary shares of Neo Cayman for an aggregate of 39,878,383 Common Shares;

"**Articles**" means the articles of continuance of the Company, as amended from time to time;

"**Awards**" means long-term incentive awards granted under the Omnibus LTIP;

"**Beneficial Shareholders**" means Shareholders who do not hold Common Shares in their own name;

"**Board**" means the board of directors of the Company;

"**BU**" means business unit of the Company, being Magnequench, Chemicals and Oxides; and Rare Metals;

"**CFOA**" means cash flow from operating activities;

"**Common Shares**" means the common shares in the capital of the Company;

"**Company**" or "**Neo**" means Neo Performance Materials Inc.;

"**C-Suite**" means collectively, the Chief Executive Officer, the Chief Financial Officer and the Chief Strategy Officer;

"**Dividend Equivalents**" has the meaning ascribed thereto in the section entitled "*Executive Compensation – The Omnibus LTIP*";

"**DSU**" means a director share unit issued under the DSU Plan;

"**DSU Plan**" means the director share unit plan adopted by the Company in May 2018, as amended in December 2020;

"**ESG**" means environmental, safety and governance;

"**HESS**" means health, environmental, safety and security;

"**Information Circular**" means the management information circular of the Company dated May 13, 2026;

"**Legacy Options**" means option to purchase Common Shares issued pursuant to the Legacy Plan;

"**Legacy Plan**" means the management incentive plan of Neo Cayman implemented in 2016 and replaced by the Omnibus LTIP;

"**Meeting**" means the annual general meeting of Shareholders to be held on June 17, 2026 and any adjournment or postponement thereof;

"**Named Executive Officers**" has the meaning ascribed thereto in the section entitled "*Executive Compensation*";

"**Neo Cayman**" means Neo Cayman Holdings Ltd., a company organized under the laws of the Cayman Islands, which the Company acquired pursuant to the Arrangement;

"**Neo C&O**" means Neo Chemicals and Oxides, LLC, an indirect subsidiary of the Company;

“**NMT**” means NMT Holdings GmbH, an indirect wholly-owned subsidiary of the Company;

“**Notice of Meeting**” means the notice of meeting sent to Shareholders in respect of the Meeting;

“**OBCA**” means the *Business Corporations Act* (Ontario), as amended from time to time;

“**Omnibus LTIP**” means the omnibus long-term incentive plan of the Company adopted by the Board in May 2021 and as amended in May 2024;

“**Option Plan**” means the option plan of the Company dated October 13, 2017 and replaced by the Omnibus LTIP;

“**Options**” means options to purchase Common Shares, an Award granted pursuant to the Omnibus LTIP;

“**Registered Shareholders**” means a Shareholder who holds Common Shares in their own name;

“**ROCE**” means return on capital employed;

“**RSU**” means restricted share unit, an Award granted under the Omnibus LTIP;

“**Shareholders**” means holders of Common Shares and “Shareholder” means any of the Shareholders; and

“**TSX**” means the Toronto Stock Exchange.

APPENDIX "B"

Neo Performance Materials Inc.
(the "Company")

MANDATE OF THE BOARD OF DIRECTORS

As approved by the Board of Directors of the Company (the '**Board**') on November 7, 2017, as amended by same on May 11, 2021.

A. MANDATE

The Board directly, and through its committees, oversees the management of the Company and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including employees, customers, suppliers and the community.

B. BOARD COMPOSITION

The number of directors may be set from time to time by the Board within the minimum and maximum numbers approved by the Company's shareholders and as set out in the Company's constating documents. The directors shall be elected by the Company's shareholders, except as permitted by the *Business Corporations Act* (Ontario). If a vacancy occurs, the Board may identify, select and approve a replacement director, or may decide to reduce the size of the Board. The Board shall be comprised of an appropriate mix of directors to comply with applicable securities regulations, including any requirements in terms of director independence. A director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 — *Disclosure of Corporate Governance Practices* ("**NI 58-101"**).

The Board will appoint a Chair (the "**Chair**") and a Corporate Secretary. The Chair shall be designated from among the members of the Board. If the Chair is not independent for the purposes of NI 58-101, then a majority of the Board's independent directors shall appoint an independent lead director (the "**Lead Director**") from among the directors, who shall serve for such term as the Board may determine. The Lead Director or non-executive Chair shall chair any meetings of the independent directors and assume such other responsibilities as the independent directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time.

C. MEETINGS AND BOARD PROCESS

The Board shall meet at least four times per year, once after each quarter to review financial information and annual continuous disclosure materials required by the Canadian Securities Administrators have been prepared. The Board will meet more frequently if circumstances dictate.

Board meetings will allow for input from all Board members. Any director may request that the Lead Director or non-executive Chair co-ordinate a meeting of the non-executive members of the Board.

The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting. The Board and the Board committees liaison with the Company will be principally through the Company's Chief Executive Officer. The Board may, from time to time, assign specific duties and tasks to individuals or committees.

An Audit Committee, Corporate Governance and Nominating Committee (the "**Corporate Governance Committee**"), HESS (Health, Environmental, Safety and Sustainability) Committee and a Compensation and Human Resources Committee (the "**Compensation and Human Resources Committee**" and together with the Audit Committee, the

Corporate Governance Committee and the HESS Committee, the "**Committees**") have been established. Each of the Committees shall operate under a written mandate document approved by the Board.

Periodically the Board will evaluate the effectiveness of the Board as a whole and ensure that appropriate succession plans are in place. This may include reviewing the process for nominating, orienting and remunerating Board members, determining the committees required and changing the mandates for the Committees.

The Board has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the books, records, facilities and personnel of the organization. The Board has the ability to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

D. RESPONSIBILITIES

The Board members shall ensure that:

(a) all Board members understand the business of the Company;

(b) processes are in place to effectively plan, monitor and manage the long-term viability of the Company;

(c) there is a balance between long and short-term goals and risks;

(d) management's performance is adequate and that an adequate management succession plan is in place;

(e) communication with shareholders and other stakeholders is timely and effective;

(f) the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;

(g) business is conducted ethically and in compliance with applicable laws and regulations; and

(h) all matters requiring shareholder approval are referred to them.

E. OPERATIONAL MATTERS

In the process of executing its responsibilities the Board will:

(a) review corporate performance on a quarterly basis;

(b) review and approve dividend payments, if any;

(c) review and approve Company banking and borrowing resolutions;

(d) review and approve any changes in the issued shares;

(e) review accounting policies, internal control and audit procedures;

(f) review and approve the annual continuous disclosure materials required by the Canadian Securities Administrators;

(g) review and approve the annual financial statements and the interim quarterly results;

(h) recommend to the shareholders the appointment of auditors and their remuneration; and

(i) provide advice to management.

F. CODE OF CONDUCT

The Board must adopt a written Code of Ethics and Business Conduct (the '**Code**') as part of its efforts to promote a culture of integrity and honesty throughout the Company. The Code will apply to the Board itself and to the Company's management and employees. Only the Board may grant any waivers to the Code. If the Board grants a waiver to the Code, the Board will determine if disclosure of the waiver is necessary in accordance with applicable laws and stock exchange rules. Contents of such disclosure will be in compliance with National Policy 58-201 — *Corporate Governance Guidelines* and NI 58-101.

G. WHISTLEBLOWER POLICY

The Board will, in conjunction with the Audit Committee, establish a whistleblower policy for the Company allowing Company employees, officers, directors and other stakeholders, including the public, to raise, anonymously or not, questions, complaints or concerns about the Company's practices, including fraud, policy violations, any illegal or unethical conduct and any Company accounting, auditing or internal control matters. The Board will ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.

APPENDIX "C"

Ordinary Resolution Approving, Ratifying and Confirming the Amendments to the Amended and Restated Omnibus Long-Term Incentive Plan

The following is the text of the ordinary resolution that Shareholders are being asked to approve at the Meeting:

BE IT RESOLVED THAT:

1. The Second Amended and Restated Omnibus Long-Term Incentive Plan (the "**Omnibus LTIP**") of Neo Performance Materials Inc. (the "**Company**"), in substantially the form attached as Appendix "E" to the management information circular dated May 13, 2026, be and the same is hereby authorized and approved with such amendments to be effective as of the date hereof, including the reduction in the number of common shares ("**Common Shares**") available for issuance under the Omnibus LTIP from 4,665,000 Common Shares to 3,900,000 Common Shares and an increase to the sub-limit of Common Shares available for issuance from treasury under the Omnibus LTIP pursuant to share appreciation rights and restricted share units from 1,400,000 Common Shares to 2,000,000 Common Shares; and

2. Any director or officer of the Company, be and are hereby authorized and empowered to execute or cause to be executed in the name and on behalf of the Company or to deliver or cause to be delivered all such documents, agreements and instruments and do or cause to be done all such acts and things as they shall determine to be necessary or desirable in order to carry out the intent of the resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX "D"

Ordinary Resolution Reconfirming and Approving the Second Amended and Restated Shareholder Rights Plan

The following is the text of the ordinary resolution that Shareholders are being asked to approve at the Meeting:

BE IT RESOLVED THAT:

1. The Second Amended and Restated Shareholder Rights Plan Agreement to be dated June 17, 2026 between the Company and Computershare Investor Services Inc. is hereby ratified, reconfirmed and approved; and

2. Any two directors or officers of the Company, be and are hereby authorized and empowered to execute or cause to be executed in the name and on behalf of the Company or to deliver or cause to be delivered all such documents, agreements and instruments and do or cause to be done all such acts and things as they shall determine to be necessary or desirable in order to carry out the intent of the resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

NEO PERFORMANCE MATERIALS INC.
SECOND AMENDED & RESTATED OMNIBUS LONG TERM INCENTIVE PLAN

Neo Performance Materials Inc. (the "**Company**") previously established a stock option plan which was first adopted on October 13, 2017, a long-term incentive plan which was first adopted on May 9, 2018, a directors share unit plan first adopted on May 9, 2018 and assumed the management incentive plan of Neo Cayman Holdings Ltd. dated September 2016 (collectively, the "**Prior Plans**"). In order to advance the interests of the Company and its shareholders and for the purposes described in Section 2.1 below, the Board of Directors of the Company (the "**Board**") authorized the establishment of the Neo Performance Materials Inc. Omnibus Long-Term Incentive Plan, effective May 28, 2021, as amended on May 8, 2024 and June 17, 2026 (the "**Plan**"). No future awards will be granted under the Prior Plans, and the awards granted under the Prior Plans shall remain subject to the terms of the Prior Plans.

ARTICLE 1
DEFINITIONS

1.1 Definitions

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

"**Account**" means an account maintained for each Participant on the books of the Company which will be credited with DSUs and/or RSUs, including any Dividend Equivalents in accordance with this Plan;

"**Active Employment**" means in the case where a Participant is an officer or employee of the Company, the period during which the Participant actively performs work for the Company; but excluding any period that follows or ought to have followed the later of: (a) if required pursuant to the applicable employment standards legislation as amended (the "**ESL**"), the end of the minimum notice of termination period that is required to be provided pursuant to the ESL (if any); or (b) the Participant's last day of actively performing work for the Company, whether that period arises from a contractual or common law right. For certainty, "Active Employment" shall be deemed to include any period of vacation or other leave permitted by legislation.

"**Active Engagement**" means any period in which the Participant, who is not an employee of the Company, actively provides services to the Company. For certainty, "Active Engagement" shall exclude any period that follows, or ought to have followed, the Participant's last day of actively providing services to the Company.

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

"**Awards**" means an Option, a SAR, an RSU or a DSU granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means the time period, referred to as the "blackout period", determined by the Company under its "Confidentiality of Material Information and Restrictions on Trading Securities Policy" (or any successor thereto or replacement thereof) pursuant to which certain prescribed Persons will be prohibited from trading in the securities of the Company. For greater certainty, the Black-Out Period shall not include any period in which there is a prohibition on trading in securities of the Company as a result of a cease trade or other order of any securities commission or regulatory authority;

"**Board**" has the meaning set out in the recitals hereto;

"**Broker**" means a broker independent from the Company or any of its Subsidiaries who has been designated by the Company as the broker that will purchase Shares pursuant to the Plan and who is a member of the principal Canadian stock exchange or other stock exchange on which the Shares are listed, or, if the Shares are not then listed, as selected by the Board acting in good faith;

"**Business Day**" means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario, for the transaction of banking business;

"**Cash Equivalent**" means: (a) in the case of DSUs, the amount of money equal to the Market Value multiplied by the number of DSUs credited to the Non-Employee Director's Account that are subject to redemption, determined as of: (i) in the case of a redemption pursuant to a Notice of Redemption, the date the Company receives, or is deemed to receive, the Notice of Redemption; or (ii) in the case of an automatic redemption pursuant to the terms of the Plan or any addendum thereto (including, without limitation, the Addendum for U.S. participants), the applicable redemption date as provided therein; (b) in the case of RSUs, the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant's Account, on the RSU Settlement Date; and (c) in the case of SARs, the amount of money equal to the excess of the Market Value of a Share on the effective date of the exercise of the SAR over the per share SAR Price;

"**Cause**" means:

(a) with respect to any employee: (i) if the employee is a party to an Employment Agreement with the Company or its Affiliates in which an enforceable definition of "cause" exists, then the definition of "cause" defined therein; or (ii) in the absence of such enforceable definition, "Cause" shall mean: (A) as it relates to any employee employed in the province of Ontario, the employee's wilful misconduct, disobedience or wilful neglect of duty that is not trivial and has not been condoned by the Company or any of its Affiliates (as applicable); (B) for all other employees located in Canada, any other act or omission or series of acts or omissions by the employee that would, pursuant to applicable law, permit the Company to terminate the employee without notice or payment in lieu of notice, including for serious reason; (C) for all other employees located outside of Canada and the United States, any act or omission or series of acts or omissions by the employee that would, pursuant to the laws of the jurisdiction in which the employee is employed, constitute cause or justify dismissal or termination without notice or payment in lieu of notice; or (D) for all employees located in the United States, (1) the Participant's plea of nolo contendere to, conviction of or indictment for, any crime (whether or not involving the Company or its Affiliates) (x) constituting a felony or (y) that has, or could reasonably be expected to result in, an adverse impact on the performance of the Participant's duties to the Company or any of its Subsidiaries, or otherwise has, or could reasonably be expected to result in, an adverse impact on the business or reputation of the Company or its Affiliates, (2) conduct of the Participant, in connection with his or her employment or service, that has resulted, or could reasonably be expected to result, in injury to the business or reputation of the Company or its Affiliates, (3) any material violation of the policies of the Company or any of its Subsidiaries, including, but not limited to, those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company or any of its Subsidiaries; (4) the Participant's act(s) of negligence or willful misconduct in the course of his or her employment or service with the Company or any of its Subsidiaries; (5) misappropriation by the Participant of any assets or business opportunities of the Company or its Affiliates;

(6) embezzlement or fraud committed by the Participant, at the Participant's direction, or with the Participant's prior actual knowledge; or (7) willful neglect in the performance of the Participant's duties for the Company or any of its Subsidiaries or willful or repeated failure or refusal to perform such duties. If, subsequent to a termination of a Participant's employment with the Company or its Subsidiaries for any reason other than by the Company or one of its Subsidiary's for Cause, it is discovered that the Participant's employment or service could have been terminated for Cause, such Participant's employment or service shall, at the sole and absolute discretion of the Committee, be deemed to have been terminated by the Company or its applicable Subsidiary for Cause for all purposes under the Plan, and the Participant shall be required to repay or return to the Company all amounts and benefits received by him or her in respect of any Award following such termination that would have been forfeited under the Plan had such termination been by the Company or its applicable Subsidiary for Cause;

(b) unless the applicable Grant Agreement states otherwise, with respect to any Consultant, any act or omission or series of acts or omissions by the Consultant that would permit the Company or any of its Affiliates (as applicable) to terminate the engagement of the Consultant without notice or payment in lieu thereof;

(c) with respect to any director, a determination by a majority of the disinterested Board members that the director has engaged in any of the following:

(i) Gross Misconduct;

(ii) willful conversion of corporate funds;

(iii) false or fraudulent misrepresentation inducing the director's appointment; or

(iv) failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance; and

(d) the Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause;

"**Change of Control**" means

(a) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its Affiliates, with respect to which all or substantially all of the Persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;

(b) a resolution is adopted to wind-up, dissolve or liquidate the Company;

(c) the sale, exchange or other disposition to a Person other than an Affiliate of the Company of all or substantially all of the Company's assets;

(d) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or

provided that, however, for greater certainty, a Change of Control shall be deemed not to occur as a result of an internal reorganization involving only the Company and any one or more of its Affiliates in the circumstances where the business of the Company is continued and where the shareholdings of the Company remain substantially the same following the transaction as existed prior to the transaction;

"**Code**" means the *U.S. Internal Revenue Code of 1986*, as amended from time to time and the Treasury Regulations promulgated thereunder;

"**Committee**" has the meaning ascribed thereto in Section 2.2(1) hereof;

"**Company**" means Neo Performance Materials Inc., a corporation existing under the *Business Corporations Act* (Ontario), and its successors from time to time;

"**Consultant**" means a Person (including an individual whose services are contracted for through another Person), other than an employee, executive officer or director of the Company or of an Affiliate that, for a period of twelve (12) months or more:

(a) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution of the Company's securities;

(b) provides the services under a written contract with the Company or an Affiliate; and

(c) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;

"**Disability**" has the meaning attributed thereto in the Participant's written Employment Agreement or services agreement with the Company or an Affiliate, and if there is no such term defined therein, means the Participant's inability to substantially fulfill his or her duties on behalf of the Company for a continuous period of nine months or more or for an aggregate period of 12 months or more during any consecutive 24 month period, with reasonable accommodation (if required pursuant to applicable human rights legislation);

"**Dividend Equivalents**" has the meaning ascribed thereto in Section 7.6 hereof;

"**DSU**" means a deferred share unit, which is a bookkeeping entry equivalent in value to a Share, credited by the Company to a Non-Employee Director's Account in accordance with Article 4 hereof, subject to the provisions of this Plan;

"**DSU Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of DSUs and the terms and conditions thereof;

"**Eligible Participants**" has the meaning ascribed thereto in Section 2.3(1) hereof;

"**Employment Agreement**" means, with respect to any Participant, any written employment agreement between the Company or an Affiliate and such Participant;

"**Exercise Notice**" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

"**Fiscal Quarter**" means any fiscal quarter of the Company;

"**Grant Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Option Agreement, a SAR Agreement, a DSU Agreement, a RSU Agreement, or an Employment Agreement;

"**Gross Misconduct**" means any act, neglect or default or conduct committed, including, without limitation, neglecting to properly discharge the Participant's duties which shall have the direct or indirect effect of causing any damage or discredit to the Company or any member of the Company which the Participant after receipt of prior notice has failed to rectify to the reasonable satisfaction of the Board within 14 days;

"**Insider**" has the meaning attributed thereto in the rules and policies of the TSX as amended from time to time;

"**Market Value**" means at any date when the Market Value of Shares of the Company is to be determined, the volume weighted average trading price of the Shares on the five Trading Days prior to such date, calculated by dividing the total value by the total volume of Shares traded for the five Trading Days prior to the relevant date on the principal stock exchange on which the Shares are listed, or if the Shares of the Company are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith based on other reasonable application of a reasonable valuation method not inconsistent with the Tax Act or Section 409A of the Code;

"**Non-Canadian Participant**" means a Participant that is not subject to the Tax Act in connection with an Award granted thereunder;

"**Non-Employee Directors**" means members of the Board who, at the time of execution of a Grant Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers or employees of the Company or a Subsidiary;

"**Notice of Redemption**" means the written notice by a Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant's wish to redeem his or her DSUs;

"**Option**" means an option granted by the Company to a Participant entitling such Participant to acquire a designated number and class of Shares from treasury at the Option Price, subject to the provisions of this Plan;

"**Option Agreement**" means a written notice from the Company to a Participant evidencing the grant of Options and the terms and conditions thereof;

"**Option Price**" has the meaning ascribed thereto in Section 3.2 hereof;

"**Option Term**" has the meaning ascribed thereto in Section 3.4(1) hereof;

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

"**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or the financial performance of the Company and/or of its Subsidiaries and/or achievement of corporate goals and strategic initiatives, and that may be used to determine the vesting of the Awards, when applicable;

"**Performance Period**" means the period determined by the Board pursuant to Section 5.4(1) hereof;

"**Person**" means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

"**Plan**" has the meaning set out in the recitals hereto;

"**Prior Plans**" has the meaning set out in the recitals hereto;

"**Quarterly Grant Date**" has the meaning ascribed thereto in Section 4.3 hereof;

"**Redemption Deadline**" has the meaning ascribed thereto in Section 4.4(1) hereof;

"**RSU**" means a right awarded by the Company to a Participant to receive a payment in the form of Shares or the Cash Equivalent as provided in Article 5 hereof, subject to the provisions of this Plan;

"**RSU Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

"**RSU Settlement Date**" has the meaning ascribed thereto in Section 5.6(1);

"**RSU Settlement Notice**" means a notice by a Participant to the Company electing the desired form of settlement of vested RSUs;

"**RSU Vesting Determination Date**" has the meaning ascribed thereto in Section 5.5 hereof;

"**SAR**" means a right granted to a Participant as provided in Article 6 hereof to receive, upon exercise by the Participant, the excess of: (a) the Market Value of one Share on the date of exercise; over (b) the grant price of the right on the date of grant, or if granted in connection with an outstanding Option on the date of grant of the related Option, as specified by the Board in its sole and absolute discretion, which shall not be less than the Market Value of one Share on such date of grant of the right or the related Option, as the case may be, subject to the provisions of this Plan;

"**SAR Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of SARs and the terms and conditions thereof;

"**SAR Price**" has the meaning ascribed thereto in Section 6.2 hereof;

"**SAR Term**" has the meaning ascribed thereto in Section 6.4(1) hereof;

"**Share**" means a common share in the capital of the Company, or such other security of the Company as may be designated by the Board from time to time in substitution thereof;

"**Share Based Compensation Arrangement**" for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Company provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Company's treasury, including a share purchase from treasury which is financially assisted by the Company by way of a loan guarantee or otherwise, but for greater certainty does not include: (a) the management incentive plan of the Company dated September 1, 2016; and (b) compensation arrangements which do not involve the issuance or potential issuance of securities from the Company's treasury;

"**Subsidiary**" means any entity that is a "subsidiary" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"**Termination Date**" means

(a) with respect to a Participant who is an employee or officer of the Company or a Subsidiary, such Participant's last day of Active Employment;

(b) with respect to a Participant who is a Non-Employee Director, the date such Person ceases to be a director of the Company or Subsidiary, effective on the last day of the Participant's actual and active Board membership, provided that if a Non-Employee Director becomes an employee of the Company or any of its Subsidiaries, such Participant's Termination Date will be such Participant's last day of Active Employment; and

(c) with respect to a Participant who is a Consultant, such Consultant's last day of Active Engagement;

"**Trading Day**" means any day on which the TSX is open for trading;

"**TSX**" means the Toronto Stock Exchange; and

"**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.

ARTICLE 2
PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

2.1 Purpose of the Plan

The purpose of the Plan is to advance the interests of the Company by: (a) providing Eligible Participants with additional incentives; (b) encouraging share ownership of such Eligible Participants; (c) increasing proprietary interests of Eligible Participants in the success of the Company; (d) promoting growth and profitability of the Company; (e) encouraging Eligible Participants to take into account long-term corporate performance; (f) rewarding Eligible Participants for sustained contributions to the Company and/or significant performance achievements of the Company; and (g) enhancing the Company's ability to attract, retain and motivate Eligible Participants.

2.2 Implementation and Administration of the Plan

(1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by the Compensation Committee of the Board (the "**Committee**"). If the Committee is appointed for this purpose, all references to the term "Board" will be deemed to be references to the Committee.

(2) The Board or, for greater certainty, the Committee, may, from time to time, as it may deem expedient, adopt, amend and rescind rules, regulations and policies for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the TSX. Subject to the provisions of the Plan, the Board or, for greater certainty, the Committee, is authorized, in its sole and absolute discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board or, for greater certainty, the Committee, shall be final and binding on all Eligible Participants.

(3) No member of the Board or, for greater certainty, the Committee or any other subdelegate, shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.

(4) Any determination approved by a majority of the Board or, for greater certainty, the Committee, shall be deemed to be a determination of that matter by the Board or, for greater certainty, the Committee.

(5) Subject to the terms of this Plan and applicable law, the Board or, for greater certainty, the Committee, may delegate to one or more officers of the Company, or to a committee of such officers, the day-to-day administration of the Plan.

(6) Subject to the terms of the Plan, the Board, or the Committee, as the case may be, has the sole and absolute discretion and authority:

(a) to select those Persons to whom Awards may be granted from time to time;

(b) to determine whether and to what extent Awards are to be granted hereunder;

(c) to determine the terms and conditions of any Award granted hereunder;

(d) to adjust the terms and conditions, at any time or from time to time, of any Award;

(e) to determine the number of Shares to be made subject to each Award;

(f) to determine to what extent and under what circumstances amounts payable with respect to an Award shall be deferred either automatically or at the election of the Participant or the Board, or the Committee, as the case may be;

(g) to accelerate the vesting, delivery, or exercisability of, or payment for or lapse of restrictions on, or waive any condition in respect of, Awards;

(h) to provide for the forms of Grant Agreement to be utilized in connection with the Plan;

(i) to determine what legal requirements are applicable to the Plan and Awards, and to require of an Eligible Participant that appropriate action be taken with respect to such requirements;

(j) to cancel, forfeit or suspend, with the consent of the Eligible Participant or as otherwise provided in the Plan or a Grant Agreement, outstanding Awards;

(k) to require as a condition of the exercise of an Award the withholding from an Eligible Participant of the amount of any taxes as may be necessary or advisable in order for the Company or any other employer to obtain a deduction or as may be otherwise required by law;

(l) to determine whether and with what effect an individual has ceased to be an Eligible Participant and to determine the Termination Date;

(m) to determine whether an Award is to be adjusted, modified or purchased, or is to become fully exercisable, under the Plan or the terms of a Grant Agreement;

(n) to determine the permissible methods of Award settlement, exercise and payment;

(o) to construe and interpret the Plan and adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan;

(p) to administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan;

(q) to seek recommendations from the Chairman or from the Chief Executive Officer of the Company;

(r) to appoint and compensate agents, counsel, auditors or other specialists to assist it in the discharge of its duties hereunder; and

(s) to exercise discretion to make all other determinations or take all other actions necessary or advisable for the implementation and administration of the Plan.

2.3 Eligible Participants

(1) The Persons who shall be eligible to receive Options, RSUs and SARs shall be the officers, directors, employees, and Consultants of the Company or a Subsidiary, providing ongoing services to the Company and its Subsidiaries, and the Persons who shall be eligible to receive DSUs shall be the Non-Employee Directors (collectively, "**Eligible Participants**"). In determining Awards to be granted under the Plan, the Board shall give due consideration to, among other matters, the value of each Eligible Participant's present and potential future contribution to the Company's success.

(2) Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Company or a Subsidiary.

(3) Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment by the Company to the Participant.

2.4 Shares Subject to the Plan.

(1) Subject to adjustment pursuant to provisions of Article 8 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan or pursuant to awards under any other established Share Based Compensation Arrangements shall not exceed 3,900,000 (being 9.3% of the total issued and outstanding Shares as of May 13, 2026); provided, however, that in the event that any such outstanding Awards under the Plan or any other Share Based Compensation Arrangements are forfeited they shall be added to the aggregate number of Shares reserved and available for grant pursuant to this Section 2.4(1).

(2) Subject to adjustment pursuant to provisions of Article 8 hereof, of the number of Shares reserved under Section 2.4(1), the total number of Shares available for issuance from treasury under the Plan pursuant to SARs or RSUs shall not exceed 2,000,000 (being 4.8% of the total issued and outstanding Shares as of May 13, 2026).

(3) Shares in respect of which an Award is granted under the Plan but not exercised prior to the termination of such Award or not vested or delivered prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, or settled in cash in lieu of settlement in Shares, shall, in each case be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares. Notwithstanding anything herein to the contrary, any Shares forfeited, cancelled or otherwise not issued for any reason pursuant to awards under the Prior Plans shall be available for grants under this Plan. Awards that by their terms are to be settled solely in cash shall not be counted against the number of Shares available for the issuance of Awards under the Plan. The following shall not be added back to the number of Shares available for grant under the Plan: (a) Shares tendered as payment for the exercise of an Option; (b) Shares withheld to pay any applicable taxes on the settlement of an Award; (c) Shares repurchased by the Company using the proceeds of the exercise of Options; or (d) Shares issued pursuant to the settlement of Awards where only the actual Shares delivered are counted against the number of Shares eligible for grant as an Award.

2.5 Participation Limits

Subject to adjustment pursuant to the provisions of Article 8 and the aggregate limit prescribed in Section 2.4(1), the aggregate number of Shares:

(1) (a) issued to Insiders pursuant to the Plan and all other Share Based Compensation Arrangements, within any one year period; and (b) issuable to Insiders, at any time, pursuant to the Plan and all other Share Based Compensation Arrangements, shall in each case not exceed 10% of the number of issued and outstanding Shares on the date of grant on a non-diluted basis. Any Awards granted pursuant to the Plan to a Participant prior to the Participant becoming an Insider, shall be excluded for the purposes of the limits set out in this subsection.

(2) The maximum number of Shares which may be reserved for issuance to Non-Employee Directors under the Plan shall be an annual grant value to any one Non-Employee Director of $150,000. Of the $150,000 annual grant value set out in the immediately preceding sentence, a maximum of $100,000 in value may be granted in the form of Options (based upon a Black-Scholes calculation);

(3) Except for DSUs, all Awards are subject to a minimum one year vesting period, provided, however, that up to 5% of the Shares reserved under the Plan may be granted without a minimum vesting

period when such Awards are being granted to newly employed, engaged or elected Participants, as the case may be; and

(4) The granting of an Option under the Plan to a Participant shall neither entitle nor preclude such Participant from being subsequently granted one or more additional Options to purchase Shares under the Plan.

2.6 Non-Exclusivity

Nothing contained in this Plan will prevent the Board from adopting other or additional Share Based Compensation Arrangements, subject to obtaining the prior approval of applicable regulatory authorities, including the TSX, or any other approvals as may be required in the circumstances.

ARTICLE 3
OPTIONS

3.1 Nature of Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire one Share from treasury at the Option Price or, in the case of a Non-Canadian Participant only, from secondary market purchase, as determined by the Board, at the Option Price, subject to the provisions of this Plan.

3.2 Option Awards

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion: (a) designate the Eligible Participants who may receive Options under the Plan; (b) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted; (c) determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**") and the relevant vesting provisions (including Performance Criteria, if applicable); and (d) determine the Option Term (as defined below), the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the TSX or any other stock exchange on which the Shares are traded.

3.3 Option Price

The Option Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

3.4 Option Term

(1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement or Employment Agreement, as applicable entered into in respect of such Option, but in no event shall an Option expire on a date which is: (a) before the date that is one year from the date the Option is granted; or (b) later than the date that is 10 years from the date the Option is granted ("**Option Term**"). Unless otherwise determined by the Board, and subject to the prior approval of the TSX, to the extent required, all unexercised Options shall be automatically cancelled upon the expiry of such Options, without any further act or formality on the part of the Participant, the Company or any other Person.

(2) Should the expiration date for an Option fall within a Black-Out Period or within nine Business Days immediately following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is 10 Business Days after the end of the Black-Out Period, such Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the 10 Business Day-period referred to in this Section 3.4 may not be extended by the Board.

3.5 Exercise of Options

(1) Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

(2) Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole and absolute discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

3.6 Method of Exercise and Payment of Purchase Price

(1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or the individual that the Chief Financial Officer of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, cheque, wire transfer or bank draft in an amount equal to the aggregate Option Price of the Shares to be purchased pursuant to the Exercise Notice and any applicable tax withholdings. Unless otherwise determined by the Board, the Company shall not offer financial assistance in regards to the exercise of an Option.

(2) No share certificates shall be issued and no Person shall be registered in the share register of the Company as the holder of Shares until actual receipt by the Company of an Exercise Notice and payment for the Shares to be purchased.

(3) Upon the exercise of an Option, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

(a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or

(b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such

Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

3.7 Option Agreements

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 3 and Article 7 hereof be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 4
DEFERRED SHARE UNITS

4.1 Nature of DSUs

A DSU is a unit granted to Non-Employee Directors representing the right to receive the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing service as a director (or other service relationship) and/or achievement of pre-established Performance Criteria.

4.2 Board to Determine Participation

The Board will determine, once each calendar year, whether a Non-Employee Director's annual retainer or a portion thereof will be paid in the form of DSUs, with the balance being paid in cash.

4.3 DSU Awards

On the last Business Day of each fiscal quarter (each such date, a "**Quarterly Grant Date**"), the number of DSUs to be credited to a Non-Employee Director shall be determined by dividing: (a) one-quarter of the portion of the Non-Employee Director's annual retainer that the Board has determined will be paid in DSUs for such calendar year; by (b) the Market Value on such Quarterly Grant Date. Any fractional DSUs resulting from such calculation will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

4.4 Redemption of DSUs

(1) Each Non-Employee Director shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the 90th day following the Termination Date, or such shorter redemption period set out in the relevant DSU Agreement (the "**Redemption Deadline**") by providing a written Notice of Redemption to the Company setting out the number of DSUs to be settled. In the event of death of a Non-Employee Director, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Non-Employee Director. Settlement of DSUs shall take place promptly following the Company's receipt of the Notice of Redemption by delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent, which shall be calculated by multiplying the Market Value on the date the Company receives, or is deemed to receive, the Notice of Redemption by the number of DSUs to be redeemed.

(2) In the event that a Notice of Redemption is not provided by a Non-Employee Director on or before the Redemption Deadline, the Non-Employee Director will be deemed to have delivered a Notice of Redemption on the Redemption Deadline and will receive the Cash Equivalent of all DSUs credited to the Non-Employee Director's Account as provided for in Section 4.4(1).

(3) The Company will make the payments described in this Article 4 to the Non-Employee Director within 120 calendar days of the Termination Date. Upon making such payment to the Non-Employee Director, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs.

4.5 DSU Agreements

DSUs shall be evidenced by a DSU Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 4 and Article 7 hereof be included therein. The DSU Agreement shall contain such terms that may be considered necessary in order that the DSUs will comply with any provisions respecting deferred share units in the income tax or other laws in force in any country or jurisdiction of which the Non-Employee Director may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 5
RESTRICTED SHARE UNITS

5.1 Nature of RSUs.

An RSU is an Award entitling the recipient to acquire Shares or the Cash Equivalent, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established Performance Criteria.

5.2 RSU Awards

(1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion: (a) designate the Eligible Participants who may receive RSUs under the Plan; (b) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted; and (c) determine the class of Share, relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period (as defined below) of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

(2) Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement, the Board shall determine whether each RSU awarded to a Participant shall entitle the Participant: (a) to receive one Share issued from treasury or purchased on the secondary market; (b) to receive the Cash Equivalent of one Share; or (c) to elect to receive either one Share from treasury or purchased on the secondary market, the Cash Equivalent of one Share or a combination of the Cash Equivalent and Shares.

5.3 Restriction Period

The applicable restriction period in respect of a particular RSU shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three years after the calendar year in which the Award is granted ("**Restriction Period**"). For example, the Restriction Period for a grant made in June 2026 shall end no later than December 31, 2029. Subject to the Board's determination, any vested RSUs will be settled in accordance with Article 5, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested RSUs shall be automatically cancelled on the RSU Vesting Determination Date (as such term is defined in Section 5.5) and, in any event, no later than the last day of the Restriction Period, without any further act or formality on the part of the Participant, the Company or any other Person.

5.4 Performance Criteria and Performance Period

(1) For each award of RSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares or cash in exchange for all or a portion of the RSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three years after the financial year in which the Award was granted.

(2) For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Shares or cash in exchange for his or her RSUs.

5.5 RSU Vesting Determination Date

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

5.6 Settlement of RSUs

(1) Except as otherwise provided in the RSU Agreement, all vested RSUs shall be settled as soon as practicable following the RSU Vesting Determination Date but in all cases prior to: (a) the last day of the Restriction Period, if such RSUs are not governed by section 7 of the Tax Act; or (b) 10 years following the date of grant of the RSUs, if such RSUs are governed by section 7 of the Tax Act. Following the receipt of such settlement, the RSUs so settled shall be of no value whatsoever and shall be removed from the Participant's Account (the "**RSU Settlement Date**").

(2) Subject to Section 5.6(3), settlement of RSUs shall take place on the RSU Settlement Date, and in any event no later than three months from the Termination Date, or such shorter time period as prescribed by the Board or this Plan, and take the form set out in the RSU Settlement Notice through:

(a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent;

(b) in the case of settlement of RSUs for Shares: (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the

Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

(3) Notwithstanding any other provision of this Plan, in the event that an RSU Settlement Date falls during a Black-Out Period or within nine Business Days immediately following the expiration of a Black-Out Period, and the Participant has not delivered an RSU Settlement Notice, then such RSU Settlement Date shall be automatically extended without any further act or formality to that date which is 10 Business Days following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

5.7 Determination of Amounts

(1) *Cash Equivalent of RSUs*. For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 5.6, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account which the Participant desires to settle in cash pursuant to the RSU Settlement Notice.

(2) *Payment in Shares; Issuance of Shares from Treasury*. For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of RSUs pursuant to Section 5.6, such calculation will be made on the RSU Settlement Date and be the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account which the Participant desires to settle pursuant to the RSU Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Company and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares.

5.8 RSU Agreements

RSUs shall be evidenced by an RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 5 and Article 7 hereof be included therein. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 6
SHARE APPRECIATION RIGHTS

6.1 Nature of SARs

A SAR is an Award entitling the recipient to receive Shares or the Cash Equivalent having a value equal to the excess of: (a) the Market Value of one Share on the date of exercise; over (b) the grant price of the right on the date of grant, as specified by the Board in its sole and absolute discretion, which shall not be less than the Market Value of one Share on such date of grant of the right, multiplied by the number of Shares with respect to which the SAR shall have been exercised.

6.2 SAR Awards

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion: (a) designate the Eligible Participants who may receive SARs under the Plan; (b) fix the number of SARs to be granted to each Eligible Participant and the date or dates on which such SARs shall be granted; and (c) determine the class of Share, the price per Share to be payable upon the vesting of each such SAR (the "**SAR Price**") and the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the SAR Term, the whole subject to the terms and conditions prescribed in this Plan and in any SAR Agreement.

6.3 SAR Price

The SAR Price for the Shares that are the subject of any SAR shall be fixed by the Board when such SAR is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

6.4 SAR Term

(1) The Board shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than 10 years from the date the SAR is granted ("**SAR Term**") and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Board, all unexercised SARs shall automatically be cancelled upon the expiry of such SARs, without any further act or formality on the part of the Participant, the Company or any other Person.

(2) Notwithstanding any other provision of this Plan, in the event that the expiration date for a SAR falls within a Black-Out Period or within nine Business Days immediately following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is 10 Business Days after the end of the Black-Out Period, such Business Day to be considered the expiration date for such SAR for all purposes under the Plan. Notwithstanding Section 8.2 hereof, the 10 Business Day-period referred to in this Section 6.4 may not be extended by the Board.

6.5 Exercise of SARs

Prior to its expiration or earlier termination in accordance with the Plan, each SAR shall be exercisable as to all or such part or parts of the granted Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular SAR, may determine in its sole and absolute discretion. For greater certainty, no SAR shall be exercised by a Participant during a Black-Out Period.

6.6 Method of Exercise and Payment of Purchase Price

(1) Subject to the provisions of the Plan, a SAR granted under the Plan shall be exercisable (from time to time as provided in Section 6.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or to the individual that the Chief Financial Officer of the Company may

from time to time designate) or give notice in such other manner as the Company may from time to time designate, no less than three Business Days in advance of the effective date of the proposed exercise, which notice shall specify the number of Shares with respect to which the SAR is being exercised and the effective date of the proposed exercise. In the Exercise Notice, the Participant will indicate its preference to settle vested SARs for the Cash Equivalent, Shares issued from treasury, or a combination thereof. Notwithstanding anything else to the contrary contained herein, in an Exercise Notice or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any SAR for their Cash Equivalent, Shares issued from treasury, or a combination thereof.

(2) The exercise of a SAR with respect to any number of Shares shall entitle the Participant to Shares or the Cash Equivalent equal to the excess of the Market Value of a Share on the effective date of such exercise over the per share SAR Price.

(3) Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

(a) in the case of settlement of SARs for the Cash Equivalent, delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent;

(b) in the case of settlement of SARs for Shares: (i) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the SARs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

6.7 SAR Agreements

SARs shall be evidenced by a SAR Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 6 and Article 7 hereof be included therein. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 7
GENERAL CONDITIONS

7.1 General Conditions applicable to Awards

Each Award, as applicable, shall be subject to the following conditions:

(1) *Employment* — The granting of an Award to a Participant shall not impose upon the Company or an Affiliate any obligation to retain the Participant in its employ in any capacity, nor shall it be interpreted as a promise or guarantee of continued employment to such Participant.

(2) *No Rights as a Shareholder* — Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) (or in the case of Shares issued in uncertificated form, receipt of evidence of a book position on the register of the shareholders of the Company maintained by the transfer agent and registrar of the Shares). Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Share certificate is issued (or in the case of Shares issued in uncertificated form, such book position on the register is evidenced, as applicable).

(3) *Conformity to Plan* — In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the terms of the Plan shall govern.

(4) *Non-Transferability* — Awards are not assignable or transferable and no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, provided that the legal representative of such Participant shall first deliver evidence satisfactory to the Company of entitlement to exercise any Award.

(5) *No Guarantee* — No amount will be paid to or in respect of a Participant under the Plan or pursuant to any other arrangement, and no Awards will be granted to such Participant to compensate for any downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon or in respect of the Participant for such purpose.

(6) *Acceptance of Terms* — Participation in the Plan by any Participant shall be construed as acceptance of the terms and conditions of the Plan by the Participant and as to the Participant's agreement to be bound thereby.

(7) *Fractional Shares* — No fractional Shares will be issued upon the exercise or settlement of Awards granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of an Award, or from an adjustment pursuant to Section 8.1, such Participant will only have the right to purchase or acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

7.2 Termination of Employee, Director or Consultant

(1) Subject to Section 7.3, a Participant's Employment Agreement and Grant Agreement, and as otherwise determined by the Board, each Award shall be subject to the following conditions:

(a) *Termination for Cause*. If a Participant ceases to be an Eligible Participant as a result of such Participant's appointment, engagement, or employment with the Company or an

Affiliate being terminated for Cause, all unexercised vested or unvested Options and unvested RSUs, DSUs and SARs, as applicable, granted to such Participant shall terminate on the Termination Date. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant.

(b) *Termination other than for Cause.* If a Participant ceases to be an Eligible Participant as a result of such Participant's engagement or employment with the Company or an Affiliate being terminated without Cause, subject to any later expiration dates determined by the Board:

(i) all vested and unexercised Options shall expire on the earlier of (x) the expiry of the 90 day period immediately following the Termination Date or (y) the expiry date of such Option, and all unvested Options shall terminate on the Termination Date;

(ii) in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any vested RSUs and SARs, as applicable, held by the Participant on the Termination Date, the Company shall settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following receipt of written notice of termination, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion; and

(iii) all other unexercised or unvested Awards (other than Options, which shall be governed by Section 7.2(1)(b)(i)) granted to such Participant shall immediately vest and the settlement amount of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the Termination Date, and any such Awards subject to a time vesting criteria shall be pro-rated for the time elapsed from the date of grant to the Termination Date. The settlement of any such accelerated Awards shall be subject to the same valuation date, election mechanism and Board discretion as set forth in Section 7.2(1)(b)(ii) above.

(c) *Resignation*. If a Participant ceases to be an Eligible Participant due to such Participant's resignation from the Company or an Affiliate, and their resignation does not qualify as a retirement, subject to any later expiration dates determined by the Board:

(i) all vested and unexercised Options shall expire on the earlier of (x) the expiry of the 90 day period immediately following the Termination Date or (y) the expiry date of such Option, and all unvested Options shall terminate on the Termination Date; and

(ii) in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any vested RSUs and SARs, as applicable, held by the Participant on the Termination Date, the Company shall settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following the Termination Date, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion. All other unexercised or unvested Awards granted to such Participant shall terminate on the Termination Date.

(d) *Death or Disability*. In the case of a Participant ceasing to be an Eligible Participant due to death or Disability, as applicable, subject to any later expiration dates determined by the Board:

(i) all Options shall expire on the earlier of (x) the expiry of the 12 month period immediately following the effective date of such death or, in the case of Disability, the Termination Date, or (y) the expiry date of such Option, to the extent such Option was vested and exercisable by the Participant on the effective date of such death or, in the case of Disability, the Termination Date, and all unexercised unvested Options granted to such Participant shall terminate on the effective date of such death or, in the case of Disability, the Termination Date; and

(ii) in respect of any vested DSUs held by the Participant on the effective date of such death or, in the case of Disability, the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any RSUs and SARs, as applicable, held by the Participant, such Awards shall continue to vest for (x) a maximum period of 12 months immediately following the effective date of such death or, in the case of Disability, the Termination Date, or (y) until the vesting date set out in the Participant's applicable Grant Agreement (whichever is shorter and being the "**Applicable Period**"). The Company shall settle all vested RSUs and SARs within 30 days immediately following the Applicable Period, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the last day of the Applicable Period. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant (or the administrator or liquidator of the estate of the Participant, as applicable) may, within 10 Business Days following the end of the Applicable Period, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion.

(e) *Retirement*. In the case of a Participant ceasing to be an Eligible Participant due to such Participant's retirement in accordance with the Company's retirement policy, subject to any later expiration dates determined by the Board:

(i) all unvested Options shall continue to vest in accordance with the terms of the applicable Option Agreement and any vested unexercised Options shall expire on the earlier of the five year period immediately following the Termination Date or the expiry date of such Option;

(ii) in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any RSUs and SARs, as applicable, held by the Participant, such Awards shall continue to vest in accordance with the terms of the applicable Grant Agreement. The Company shall settle each tranche of RSUs or SARs, as applicable, within 30 days following the applicable vesting date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the applicable vesting date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following each applicable vesting date, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion. Settlement of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the Termination Date.

(2) no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's Termination Date will be considered as extending the Participant's period of employment for the purposes of determining his or her entitlement under the Plan;

(3) a Participant's eligibility to receive further grants of Awards under this Plan ceases as of:

(a) the date that the Company or an Affiliate of the Company, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section 7.2, notwithstanding that such date may be prior to the Termination Date; or

(b) the date of the death or Disability of the Participant; and

(4) notwithstanding Section 7.3, unless the Board, in its sole and absolute discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment agreement or arrangement, or directorship within or among the Company or an Affiliate of the Company for so long as the Participant continues to be a director, employee or Consultant, as

applicable, of the Company or an Affiliate of the Company. For clarity and by way of example only, subject to the Board's sole and absolute discretion, if a director ceases to be a director but becomes or remains a Consultant, the Awards held by such Participant will not be affected by ceasing to be a director.

7.3 Common Law Waiver

The Participant agrees that by executing a Grant Agreement, they shall have no entitlement to damages or other compensation arising from or related to not receiving any or all of the Awards, payments or benefits that would have accrued to the Participant after the Termination Date. For clarity, except for the minimum period of notice of termination required to be provided pursuant to the ESL (if any and if applicable), no period of notice, if any, or payment instead of notice that is given or that ought to have been given under contract or at common law (whether or not imposed by a court), in respect of such termination of employment that follows or is in respect of a period after the Participant's Termination Date will be considered as extending the Participant's period of employment or be used for purposes of calculating the Participant's entitlement under this Plan. The Participant waives the right to receive damages or payment in lieu of any forfeited remuneration or grant under this Plan that would have accrued during any contractual or common law reasonable notice period that exceeds the Participant's minimum statutory notice of termination period beyond that required by the ESL (if any and if applicable).

7.4 Discretion to Permit Acceleration

Notwithstanding the provisions of Section 7.2, the Board, in its sole and absolute discretion, subject to shareholder and TSX approval, as and when required, may at any time prior to, or following the events contemplated in such Section of the Plan, or in an Employment Agreement or other written agreement between the Company or an Affiliate of the Company and the Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms as may be authorized by the Board, and if such discretion is taken and the vesting of any or all Awards occurs, then such Awards will be settled in accordance with the terms hereof.

7.5 Change of Control

(1) Despite any other provisions of this Plan, in the event of a Change of Control, the Board may, in its sole and absolute discretion, elect one of the following: (a) require that all unvested Awards then outstanding be substituted or replaced with awards of the surviving corporation (or any Affiliate thereof) or the potential successor (or any Affiliate thereof) (the "**continuing entity**") on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards; or (b) accelerate the vesting of all or any outstanding Awards and, as applicable, permit the exercise or settlement of such Awards, in each case on such terms and conditions as the Board may determine. In the absence of a determination by the Board under this Section 7.5, all unvested Awards then outstanding will be substituted or replaced in accordance with clause (a) above.

(2) If, upon a Change of Control, the Board has elected substitution or replacement of Awards pursuant to Section 7.5(1)(a) (or such substitution or replacement has occurred by default) and the continuing entity fails to comply with such requirement, the vesting of all then outstanding Awards (and, if applicable, the time during which such Awards may be exercised) will be accelerated in full. Immediately prior to the Change of Control, the number of Shares to be issued on settlement of any Awards subject to Performance Criteria, will be calculated against objective criteria, as determined by the Board and further pro-rated based on the number of days elapsed during the Performance Period up to and including the date of the Change of Control.

(3) No fractional Shares or other security will be issued upon the exercise of any Award and accordingly, if as a result of a Change of Control, a Participant would become entitled to a fractional Share or other security, such Participant will have the right to acquire only the next lowest whole number of Shares or other security and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

(4) Despite anything else contrary in the Plan, in the event of a potential Change of Control, the Board will have the power, in its sole and absolute discretion, to modify the terms of the Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change of Control, the Board has the power, in its sole and absolute discretion, to accelerate the vesting of Awards and to permit Participants to conditionally exercise or settle their Awards, such conditional exercise or settlement to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the Change of Control referred to in this Section 7.5(4) is not completed within the time specified (as same may be extended), then despite this Section 7.5(4) or the definition of "Change of Control": (a) any conditional exercise or settlement of vested Awards will be deemed to be null, void and of no effect, and such conditionally exercised or settled Awards will for all purposes be deemed not to have been exercised or settled; and (b) Awards which vested pursuant to this Section 7.5(4) will be returned by the Participant to the Company and reinstated as authorized but unissued Shares and the original terms applicable to such Awards will be reinstated.

(5) If the Board has, pursuant to the provisions of Section 7.5(4), permitted the conditional exercise or settlement of Awards in connection with a potential Change of Control, then the Board will have the power, in its sole and absolute discretion, to terminate, immediately following actual completion of such Change of Control and on such terms as it sees fit, any Awards not exercised or settled (including all vested and unvested Awards).

(6) Subject to any provisions with respect to the vesting of Awards in a Participant's Employment Agreement, in the event that a Participant's employment with the Company is terminated other than as a result of death, Disability or termination for Cause within 24 months of a Change of Control, notwithstanding the other terms of this Plan: (a) any Awards then outstanding shall automatically vest; (b) such Options may be exercised in whole or in part by the Participant for 90 days thereafter (or such longer period as may be prescribed by law or as may be determined by the Board in its sole and absolute discretion) or prior to the expiry date in respect thereof, whichever is sooner; and (c) in respect of any vested RSUs and SARs, as applicable, held by the Participant, the Company shall settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following receipt of written notice of termination, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion. The settlement amount of any Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the Termination Date.

7.6 Dividend Equivalents

When dividends (other than stock dividends) are paid on Shares, Participants who have been granted RSUs or DSUs shall receive additional RSUs or DSUs, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the Participant shall be determined by multiplying the aggregate number of RSUs or DSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Company on each Share, and dividing the result by the Market Value on the dividend payment date. Dividend Equivalents granted to a Participant in accordance with this Section 7.6 shall be subject to the same vesting conditions applicable to the related RSUs or DSUs, as applicable, in accordance with the respective Grant Agreement, and shall be settled in the same manner and within the same timeframe as such RSUs or DSUs, as applicable, unless otherwise provided for in the Grant Agreement.

7.7 Unfunded Plan

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company.

7.8 Clawback of Awards

Notwithstanding anything else in this Plan, all grants of Awards made to Eligible Participants pursuant to this Plan shall be subject to the Company's Incentive Compensation Clawback Policy.

ARTICLE 8
ADJUSTMENTS AND AMENDMENTS

8.1 Adjustment to Shares Subject to Outstanding Awards

(1) In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(2) In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such consolidation if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(3) If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall make a distribution to all holders of Shares by way of a dividend

or otherwise of other securities in the capital of the Company, cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or shares), or should the Company effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

8.2 Amendment or Discontinuation of the Plan

(1) The Board may, in its sole and absolute discretion, suspend or terminate the Plan at any time or from time to time and/or amend or revise the terms of the Plan or any Award at any time and any agreement relating thereto, provided that such suspension, termination, amendment, or revision shall:

(a) not materially adversely alter or impair any Award previously granted except as permitted by the terms of the Plan or upon the consent of the applicable Participant(s);

(b) be subject to any regulatory approvals including, where required, the approval of the TSX; and

(c) be subject to shareholder approval, where required by law or the requirements of the TSX, provided that shareholder approval shall not be required for the following amendments to the Plan or an Award, as applicable, and the Board may from time to time make any changes which may include but are not limited to:

(i) any amendment of a "housekeeping" nature, including without limitation those made to clarify the meaning of an existing provision of the Plan or any agreement, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan or any agreement, correct any grammatical or typographical errors or amend the definitions in the Plan;

(ii) a change to the vesting provisions of the Plan or any Award;

(iii) a change to accelerate the date on which any Award may be exercised under the Plan;

(iv) a change to the provisions governing the effect of termination of a Participant's employment, contract or office;

(v) an amendment of the Plan or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the securities of the Company are then listed or any other regulatory body having authority over the Company, the Plan, the Participants or the shareholders of the Company;

(vi) any amendment regarding the administration of the Plan; or

(vii) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX or any other stock exchange on which the Shares are traded.

(2) Notwithstanding Section 8.2(1)(c), shareholder approval is required for the following amendments to the Plan:

(a) any increase to the maximum number of Shares issuable from treasury pursuant to Awards under the Plan, except in the event of an adjustment pursuant to Section 8.1;

(b) (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to Section 8.1; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Section 8.1;

(c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date, except in case of an extension due to a Black-Out Period;

(d) any amendment which would extend the term of an Option to allow for a maximum term beyond that set out in Section 3.4;

(e) any amendment which expands the authority of the Board to permit assignability of Awards other than as set forth under Section 7.1(4) of the Plan;

(f) adds to the categories of Eligible Participants who may be designated for participation in the Plan beyond those included in the definition of Eligible Participant, including but not limited to, any amendments to the categories of Eligible Participants that permit the introduction or re-introduction of Non-Employee Directors on a discretionary basis or amendments that increases limits imposed on Non-Employee Director participation under the Plan;

(g) removes or increases the Insider participation limit set forth under Section 2.5 of the Plan; or

(h) any amendment to Sections 8.2(1)(c) and 8.2(2) of the Plan.

(3) Notwithstanding anything contained to the contrary in the Plan, in a Grant Agreement contemplated herein, but subject to any specific provisions contained in any Employment Agreements, in the event of a Change of Control, a reorganization of the Company, an amalgamation of the Company, an arrangement involving the Company, a take-over bid (as that term is defined in the *Securities Act* (Ontario)) for all of the Shares or the sale or disposition of all or substantially all of the property and assets of the Company, the Board may make such provision for the protection of the rights of the Participants as the Board in its sole and absolute discretion considers appropriate in the circumstances, including, without limitation, changing the Performance Criteria and/or other vesting conditions for the Awards and/or the date on which any Award expires or the Restriction Period, the Performance Period, the Performance Criteria and/or other vesting conditions for the Awards.

(4) For greater certainty, the Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.

(5) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any

Awards previously granted to a Participant under the Plan and the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of discontinuance will continue in effect as long as any Award or any rights awarded or granted under the Plan remain outstanding and, notwithstanding the discontinuance of the Plan, the Board will have the ability to make such amendments to the Plan or the Awards as they would have been entitled to make if the Plan were still in effect.

ARTICLE 9
MISCELLANEOUS

9.1 Use of an Administrative Agent and Trustee

The Board may in its sole and absolute discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole and absolute discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

9.2 Tax Withholding

(1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied in such manner as the Board deems appropriate including by (a) allowing the Participant to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section 9.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules. Notwithstanding any other provision of the Plan, the Company shall not be required to issue any Shares or make any payments under this Plan until arrangements satisfactory to the Company have been made for payment of all applicable withholding obligations.

(2) The sale of Shares by the Company, or by a Broker, under Section 9.2(1) or under any other provision of this Plan will be made on the TSX. The Participant consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that: (a) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (b) in effecting the sale of any such Shares, the Company or the Broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price; and (c) neither the Company nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sale(s) or any delay in transferring any Shares to a Participant or otherwise.

9.3 Compliance and Award Restrictions

(1) The Company's obligation to issue and deliver Shares under any Award is subject to: (a) the completion of such approvals, registration or other qualification of such Shares or obtaining approval from the TSX or any other regulatory body having jurisdiction over the Company as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (b) the admission of such Shares to listing on any stock exchange upon which the securities of the Company are then listed; and (c) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which such Shares are then listed.

(2) Any Award granted under the Plan shall be subject to the requirement that the Company has the right to place any restriction or legend on any securities issued pursuant to this Plan.

(3) The Participant agrees to fully cooperate with the Company in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Company with such laws, rule and requirements, including all tax withholding and remittance obligations.

(4) No Awards will be granted, and no Shares issued under this Plan, where such grant, issue or sale is restricted pursuant to the terms of the Company's Confidentiality of Material Information and Restrictions on Trading Securities Policy or any other trading policies or other restrictions imposed by the Company.

(5) The Company is not obliged by any provision of the Plan or the grant of any Award under the Plan to issue or sell Shares if, in the sole and absolute discretion of the Board, such action would constitute a violation by the Company or a Participant of any laws, rules and regulations or any condition of such approvals.

(6) At the time a Participant ceases to hold Awards which are or may become exercisable, the Participant ceases to be a Participant.

9.4 Reorganization of the Company

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

9.5 Personal Information

Each Participant shall provide the Company and the Board with all information they require in order to administer the Plan. The Company and the Board may from time to time transfer or provide access to such information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing such services to the Company. By participating in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section 9.5, the Company and the Board shall not disclose the personal information of a Participant except: (a) in response to regulatory filings or other requirements for the information by a governmental authority with jurisdiction over the Company; (b) for the purpose of complying with a subpoena, warrant or other order by a court, Person or body having jurisdiction to compel production of the information; or (c) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Company or its Affiliates including through an asset or share sale, or some other form of business combination, merger or joint venture, provided that such party is bound by appropriate agreements or obligations.

9.6 No Financial Assistance

The Company shall not provide any form of financial assistance to Participants for the purposes of settling or exercising any Awards issued or granted pursuant to the Plan.

9.7 Governing Laws

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9.8 Severability

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

9.9 Currency

Unless otherwise specifically provided, all references to dollars or $ in the Plan are references to Canadian dollars.

9.10 Effective Date of the Plan

The Plan has been effective as of May 28, 2021, as most recently amended on June 17, 2026.

ADDENDUM FOR U.S. PARTICIPANTS

NEO PERFORMANCE MATERIALS INC.
OMNIBUS LONG-TERM INCENTIVE PLAN

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

1. **Definitions.**

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h).

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

2. Section 4.2 is deleted in its entirety and replaced with the following:

"The Board will determine, once each calendar year, whether a Non-Employee Director's annual retainer or a portion thereof will be paid in the form of DSUs, with the balance being paid in cash and any such election shall be deemed to remain effective for each subsequent calendar year until the Board affirmatively acts to adjust such election; provided, that, to the extent required under Code Section 409A, any such election shall only be effective for compensation to be earned for services to be performed in the calendar year following the year in which the election is made."

3. Section 4.4 is deleted in its entirety and replaced with the following:

(1) "Each Non-Employee Director shall have one-hundred percent of his or her DSUs redeemed on the earlier to occur of (x) the date that is the 60th day following a Termination Date and (y) the occurrence of a Change of Control (such earlier date, the "**DSU Redemption Date**"). For the avoidance of doubt, in the event of death of a Non-Employee Director, the DSU Redemption Date shall be the 60th day following the death of such Non-Employee Director, and the administrator or liquidator of the estate of the Non-Employee Director shall file a Notice of Redemption with the Company on or before such DSU Redemption Date for administrative purposes (including to identify the payee and provide payment instructions); provided, however, that the filing or non-filing of such Notice of Redemption shall not affect the DSU Redemption Date or the calculation of the Cash Equivalent. Settlement of DSUs shall take place promptly following the DSU Redemption Date by delivery of a cheque, bank draft or wire transfer to the Non-Employee Director or, in the case of death, to the estate of the Non-Employee Director, representing the Cash Equivalent.

(2) For greater certainty, where a Non-Employee Director does not provide a Notice of Redemption, settlement of all DSUs credited to the Non-Employee Director's Account shall take place on the DSU Redemption Date as provided above, by delivery of a cheque, bank draft or wire transfer to the Non-Employee Director representing the Cash Equivalent as provided for in Section 4.4(1).

(3) The Company will make the payments described in this Article 4 to the Non-Employee Director on the DSU Redemption Date as provided in as provided for in Section 4.4(1). Upon making such payment to the Non-Employee Director, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs."

4. Section 5.5 is deleted in its entirety and replaced with the following:

"The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Notwithstanding the foregoing, if the U.S. Participant vests in his or her RSUs pursuant to the Plan, on the RSU Settlement Date, the Company shall: (a) issue from treasury the number of Shares that is equal to the number of vested RSUs held by the U.S. Participant (rounded down to the nearest whole number), as fully paid and non-assessable Shares; (b) deliver to the U.S. Participant an amount in cash (net of the applicable tax withholdings) equal to the number of vested RSUs held by the U.S. Participant multiplied by the Market Value as at such date; or (c) a combination of (a) and (b). Upon settlement of such RSUs, the corresponding number of RSUs shall be cancelled and the U.S. Participant shall have no further rights, title or interest with respect thereto."

5. Notwithstanding anything to the contrary in the Plan, in no event will any SARs or Options be exercisable beyond the 10^{th} anniversary of the date of grant.

6. Section 5.6 is deleted in its entirety and replaced with the following:

"Except as otherwise provided in the RSU Agreement, all vested RSUs shall be settled only on one or more Code Section 409A "permissible payment events" or, in the event the RSU Agreement is structured as "short-term deferral" under Section 409A, the RSU Agreement must provide for settlement no later than March 15 of the year following the satisfaction of the applicable vesting conditions (which may include any Performance Criteria and Performance Period) (the date for settlement set out in the applicable RSU Agreement, the "**RSU Settlement Date**")."

7. **No Acceleration**

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

8. **Code Section 409A**

Each grant of Awards to a U.S. Participant is intended to be exempt from or comply with Code Section 409A. To the extent any Award is subject to Section 409A, then:

(a) all payments to be made upon or as a result of a U.S. Participant's Termination Date shall only be made upon or as a result of a Separation from Service;

(b) 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 Code 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 Participant under the Plan that are payable due to the U.S. Participant's Separation from Service shall be postponed until the later of the originally scheduled date and six months following the U.S. Participant's Separation from Service.

The postponed amount shall be paid to the U.S. Participant in a lump sum within 30 days after the later of the originally scheduled date and the date that is six months following the U.S. Participant's Separation from Service. If the U.S. Participant dies during such six month period and prior to the payment of the postponed amounts hereunder, the amounts delayed on account of Code Section 409A shall be paid to the U.S. Participant's estate within 60 days following the U.S. Participant's death.

(c) Each Award and each payment under an Award shall be deemed to be a separate payment for purposes of Code Section 409A.

(d) to the extent a Change of Control is a payment event, then such Change of Control must also be a "change of control event" under Code Section 409A.

The Grant Agreement to any U.S. Participant may contain additional changes or restrictions as necessary to comply with applicable laws, including Code Section 409A. If any provision of the Plan or any Grant Agreement contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole and absolute discretion and without the U.S. Participant's consent, modify such provision to: (a) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under Code Section 409A; and (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 Code Section 409A. However, the Company shall have no obligation to modify the Plan or any Grant Agreement and does not guarantee that Awards will not be subject to taxes, interest and penalties under Code Section 409A.

APPENDIX "F"
Blackline of the Second Amended & Restated Omnibus Long-Term Incentive Plan

NEO PERFORMANCE MATERIALS INC.
SECOND AMENDED & RESTATED OMNIBUS LONG TERM INCENTIVE PLAN

Neo Performance Materials Inc. (the "**Company**") previously established a stock option plan which was first adopted on October 13, 2017, a long-term incentive plan which was first adopted on May 9, 2018, a directors share unit plan first adopted on May 9, 2018 and assumed the management incentive plan of Neo Cayman Holdings Ltd. dated September 2016 (collectively, the "**Prior Plans**"). In order to advance the interests of the Company and its shareholders and for the purposes described in Section ~~2.1~~2.1 below, the Board of Directors of the Company (the "**Board**") ~~has~~ authorized the establishment of the Neo Performance Materials Inc. Omnibus Long-Term Incentive Plan, effective May 28, 2021, as amended on May 8, 2024 and June 17, 2026 (the "**Plan**"). No future awards will be granted under the Prior Plans, and the awards granted under the Prior Plans shall remain subject to the terms of the Prior Plans.

ARTICLE 1~~ARTICLE 1~~
DEFINITIONS

1.1 ~~1.1~~ Definitions

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

"**Account**" means an account maintained for each Participant on the books of the Company which will be credited with ~~Awards~~DSUs and/or RSUs, including any Dividend Equivalents~~,~~ in accordance with ~~the terms of~~ this Plan;

"**Active Employment**" means in the case where a Participant is an officer or employee of the Company, the period during which the Participant actively performs work for the Company; but excluding any period that follows or ought to have followed the later of: (a) if required pursuant to the applicable employment standards legislation as amended (the "**ESL**"), the end of the minimum notice of termination period that is required to be provided pursuant to the ESL (if any); or (b) the Participant's last day of actively performing work for the Company, whether that period arises from a contractual or common law right. For certainty, "Active Employment" shall be deemed to include any period of vacation or other leave permitted by legislation.

"**Active Engagement**" means any period in which the Participant, who is not an employee of the Company, actively provides services to the Company. For certainty, "Active Engagement" shall exclude any period that follows, or ought to have followed, the Participant's last day of actively providing services to the Company.

"**Affiliate**" means any entity that is an "affiliate" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

~~"**Associate**", where used to indicate a relationship with a Participant, means (i) any partner of that Participant and (ii) the spouse of that Participant and that Participant's children, as well as that Participant's relatives and that Participant's spouse's relatives, if they share that Participant's residence;~~

"**Awards**" means an Option, a SAR, an RSU or a DSU granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means the time period, referred to as the "blackout period", determined by the Company under its "Confidentiality of Material Information and Restrictions on Trading Securities Policy" (or any successor thereto or replacement thereof) pursuant to which certain prescribed ~~persons~~Persons will be prohibited from trading in the securities of the Company. For greater certainty, the ~~Blackout~~Black-Out Period shall not include any period in which there is a prohibition on trading in securities of the Company as a result of a cease trade or other order of any securities commission or regulatory authority;

"**Board**" has the meaning set out in the recitals hereto;

"**Broker**" means a broker independent from the Company or any of its Subsidiaries who has been designated by the Company as the broker that will purchase Shares pursuant to the Plan and who is a member of the principal Canadian stock exchange or other ~~public~~stock exchange on which the Shares are listed, or, if the Shares are not then listed, as selected by the Board acting in good faith;

"**Business Day**" means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario, for the transaction of banking business;

"**Cash Equivalent**" means: (a) in the case of DSUs, the amount of money equal to the Market Value multiplied by the number of DSUs credited to the Non-Employee Director's Account that are subject to redemption, determined as of: (i) in the case of a redemption pursuant to a Notice of Redemption, the date the Company receives, or is deemed to receive, the Notice of Redemption; or (ii) in the case of an automatic redemption pursuant to the terms of the Plan or any addendum thereto (including, without limitation, the Addendum for U.S. participants), the applicable redemption date as provided therein; (b) in the case of RSUs, the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant's Account, ~~net of any applicable taxes in accordance with Section 9.2,~~ on the RSU Settlement Date; and (~~b~~c) in the case of SARs, the amount of money equal to the excess of the Market Value of a Share on the effective date of the exercise of the SAR over the per share SAR Price~~, net of any applicable taxes in accordance with Section 9.2~~;

"**Cause**" means:

(a) with respect to any employee: (i) if the employee is a party to an Employment Agreement with the Company or its Affiliates in which an enforceable definition of "cause" exists, then the definition of "cause" defined therein; or (ii) in the absence of such enforceable definition, "Cause" shall mean: (A) as it relates to any employee employed in the province of Ontario, the employee's wilful misconduct, disobedience or wilful neglect of duty that is not trivial and has not been condoned by the Company or any of its Affiliates (as applicable); (B) for all other employees located in Canada, any other act or omission or series of acts or omissions by the employee that would, pursuant to applicable law, permit the Company to terminate the employee without notice or payment in lieu of notice, including for serious reason; (C) for all other employees located outside of Canada and the United States, any act or omission or series of acts or omissions by the employee that would, pursuant to the laws of the jurisdiction in which the employee is employed, constitute cause or justify dismissal or termination without notice or payment in lieu of notice; or (D) for all employees located in the United States, (1) the Participant's plea of nolo contendere to, conviction of or indictment for, any crime (whether or not involving the Company or its Affiliates) (x) constituting a felony or (y) that has, or could reasonably be expected to result in, an adverse impact on the performance of the Participant's duties to the Company or any of its Subsidiaries, or otherwise has, or could reasonably be expected to result in, an adverse impact on the business or reputation of the Company or its Affiliates, (2) conduct of the Participant, in connection with his or her employment or service, that has resulted, or could reasonably be expected to result, in injury to the business or reputation of the Company or its Affiliates, (3) any material violation of the policies of the Company or any of its Subsidiaries, including, but not limited to, those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company or any of its Subsidiaries; (4) the Participant's act(s) of negligence or willful misconduct in the course of his or her employment or service with the Company or any of its Subsidiaries; (5) misappropriation by the Participant of any assets or business opportunities of the Company or its Affiliates; (6) embezzlement or fraud committed by the Participant, at the Participant's direction, or with the Participant's prior actual knowledge; or (7) willful neglect in the performance of the Participant's duties for the Company or any of its Subsidiaries or willful or repeated failure or refusal to perform such duties. If, subsequent to a termination of a Participant's employment with the Company or its Subsidiaries for any reason other than by the Company or one of its Subsidiary's for Cause, it is discovered that the Participant's employment or service could have been terminated for Cause, such Participant's employment or service shall, at the sole and absolute discretion of the Committee, be deemed to have been terminated by the Company or its applicable Subsidiary for Cause for all purposes under the Plan, and the Participant shall be required to repay or return to the Company all amounts and benefits received by him or her in respect of any Award following such termination that would have been forfeited under the Plan had such termination been by the Company or its applicable Subsidiary for Cause;

(b) ~~(a)~~ unless the applicable Grant Agreement states otherwise, with respect to any ~~employee or~~ Consultant~~: (i) if the employee or consultant is a party to an Employment Agreement or service agreement with the Company or its Affiliates and such agreement provides for a definition of Cause, the definition contained therein; or (ii) if no such agreement exists, or if such agreement does not define Cause, any act or omission that would entitle the Company to terminate the employee's or consultant's employment or service agreement without notice or compensation under the common law for just cause, including, without in any way limiting its meaning under the common law: (A) the failure of the employee or consultant to carry out the employee's or consultant's duties properly or to comply with the Company's rules, policies and practices; (B) material breach of any agreement with the Company or an Affiliate, or a material violation of the Company's or an Affiliate's code of conduct or other written policy; (B) the indictment for or conviction of an indictable offence or any summary offence involving material dishonesty or moral turpitude; (D) material fiduciary breach with respect to the Company or an Affiliate; (E) fraud, embezzlement or similar conduct that results in or is reasonably likely to result in harm to the reputation or business of the Company or any of its Affiliates; or (F) gross negligence or willful misconduct with respect to the Company or an Affiliate~~, any act or omission or series of acts or omissions by the Consultant that would permit the Company or any of its Affiliates (as applicable) to terminate the engagement of the Consultant without notice or payment in lieu thereof;

(c) ~~(b)~~ with respect to any director, a determination by a majority of the disinterested Board members that the director has engaged in any of the following:

(i) ~~gross misconduct or neglect~~Gross Misconduct;

(ii) willful conversion of corporate funds;

(iii) false or fraudulent misrepresentation inducing the director's appointment; or

(iv) ~~repeated~~ failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance; and

(d) ~~(c)~~ the Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause;

"**Change of Control**" means

(a) ~~(a)~~ a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its Affiliates, with respect to which all or substantially all of the ~~persons~~Persons who were the beneficial owners of the ~~Common~~ Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;

(b) ~~(b)~~ a resolution is adopted to wind-up, dissolve or liquidate the Company;

(c) ~~(c)~~ the sale, exchange or other disposition to a ~~person~~Person other than an Affiliate of the Company of all or substantially all of the Company's assets;

(d) ~~(d)~~ a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or

provided that, however, for greater certainty, a Change of Control shall be deemed not to occur as a result of an internal reorganization involving only the Company and any one or more of its Affiliates in the circumstances where the business of the Company is continued and where the shareholdings of the Company remain substantially the same following the transaction as existed prior to the transaction;

"**Code**" means the *U.S. Internal Revenue Code of 1986*, as amended from time to time and the Treasury Regulations promulgated thereunder;

"**Committee**" has the meaning ascribed thereto in Section ~~2.2(1)~~2.2(1) hereof;

"**Company**" means Neo Performance Materials Inc., a corporation existing under the *Business Corporations Act* (Ontario), and its successors from time to time;

~~"**Disabled**" or "**Disability**" means the permanent and total incapacity of a Participant as determined in accordance with procedures established by the Board for purposes of this Plan;~~

"**Consultant**" means a Person (including an individual whose services are contracted for through another Person), other than an employee, executive officer or director of the Company or of an Affiliate that, for a period of twelve (12) months or more:

(a) is engaged to provide services to the Company or an Affiliate, other than services provided in relation to a distribution of the Company's securities;

(b) provides the services under a written contract with the Company or an Affiliate; and

(c) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate;

and includes, for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;

"**Disability**" has the meaning attributed thereto in the Participant's written Employment Agreement or services agreement with the Company or an Affiliate, and if there is no such term defined therein, means the Participant's inability to substantially fulfill his or her duties on behalf of the Company for a continuous period of nine months or more or for an aggregate period of 12 months or more during any consecutive 24 month period, with reasonable accommodation (if required pursuant to applicable human rights legislation);

"**Dividend ~~Equivalent~~Equivalents**" has the meaning ascribed thereto in Section ~~7.5~~7.6 hereof;

"**DSU**" means a deferred share unit, which is a bookkeeping entry equivalent in value to a Share, credited by the Company to a ~~Participant's~~Non-Employee Director's Account in accordance with ~~Article 4~~Article 4 hereof, subject to the provisions of this Plan;

"**DSU Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of DSUs and the terms and conditions thereof;

"**Eligible Participants**" has the meaning ascribed thereto in Section ~~2.3(1)~~2.3(1) hereof;

"**Employment Agreement**" means, with respect to any Participant, any written employment agreement between the Company or an Affiliate and such Participant;

"**Exercise Notice**" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

"**Fiscal Quarter**" means any fiscal quarter of the Company;

"**Grant Agreement**" means an agreement evidencing the grant to a Participant of an Award, including ~~a Restricted Share Agreement,~~ an Option Agreement, a SAR Agreement, a DSU Agreement, a RSU Agreement, or an Employment Agreement;

"**Gross Misconduct**" means any act, neglect or default or conduct committed, including, without limitation, neglecting to properly discharge the Participant's duties which shall have the direct or indirect effect of causing any damage or discredit to the Company or any member of the Company which the Participant after receipt of prior notice has failed to rectify to the reasonable satisfaction of the Board within 14 days;

"**Insider**" has the meaning attributed thereto in the rules and policies of the TSX as amended from time to time;

"**Market Value**" means at any date when the Market Value of Shares of the Company is to be determined, the volume weighted average trading price of the Shares on the five Trading Days prior to ~~the~~such date~~ of grant~~, calculated by dividing the total value by the total volume of Shares traded for the five Trading Days prior to the relevant date ~~of grant~~ on the principal stock exchange on which the Shares are listed, or if the Shares of the Company are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith based on other reasonable application of a reasonable valuation method not inconsistent with the Tax Act or Section 409A of the Code;

"**Non-Canadian Participant**" means a Participant that is not subject to the Tax Act in connection with an Award granted thereunder;

"**Non-Employee Directors**" means members of the Board who, at the time of execution of a Grant Agreement, if applicable, and at all times thereafter while they continue to serve as a member of the Board, are not officers or employees of the Company or a Subsidiary;

"**Notice of Redemption**" means the written notice by a Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant's wish to redeem his or her DSUs;

"**Option**" means an option granted by the Company to a Participant entitling such Participant to acquire a designated number and class of Shares from treasury at the Option Price, subject to the provisions of this Plan;

"**Option Agreement**" means a written notice from the Company to a Participant evidencing the grant of Options and the terms and conditions thereof;

"**Option Price**" has the meaning ascribed thereto in Section ~~3.2~~3.2 hereof;

"**Option Term**" has the meaning ascribed thereto in Section ~~3.4(1)~~3.4(1) hereof;

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

~~"**Participant's Account**" means an account maintained for each Participant's participation in DSUs and/or RSUs under the Plan;~~

"**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or the financial performance of the Company and/or of its Subsidiaries and/or achievement of corporate goals and strategic initiatives, and that may be used to determine the vesting of the Awards, when applicable;

"**Performance Period**" means the period determined by the Board pursuant to Section ~~5.4(1)~~5.4(1) hereof;

"**Person**" means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

"**Plan**" has the meaning set out in the recitals hereto;

"**Prior Plans**" has the meaning set out in the recitals hereto;

"**Quarterly Grant Date**" has the meaning ascribed thereto in Section 4.3 hereof;

"**Redemption Deadline**" has the meaning ascribed thereto in Section 4.4(1) hereof;

"**RSU**" means a right awarded by the Company to a Participant to receive a payment in the form of Shares or the Cash Equivalent as provided in ~~Article 5~~Article 5 hereof, subject to the provisions of this Plan;

"**RSU Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

"**RSU Settlement Date**" has the meaning ~~determined~~ascribed thereto in Section ~~5.6(1)(a)~~5.6(1);

"**RSU Settlement Notice**" means a notice by a Participant to the Company electing the desired form of settlement of vested RSUs;

"**RSU Vesting Determination Date**" has the meaning ~~described~~ascribed thereto in Section ~~5.5~~5.5 hereof;

"**SAR**" means a right granted to a Participant as provided in ~~Article 6~~Article 6 hereof to receive, upon exercise by the Participant, the excess of: (~~i~~a) the Market Value of one Share on the date of exercise; over (~~ii~~b) the grant price of the right on the date of grant, or if granted in connection with an outstanding Option on the date of grant of the related Option, as specified by the Board in its sole and absolute discretion, which shall not be less than the Market Value of one Share on such date of grant of the right or the related Option, as the case may be, subject to the provisions of this Plan;

"**SAR Agreement**" means a written letter agreement between the Company and a Participant evidencing the grant of SARs and the terms and conditions thereof;

"**SAR Price**" has the meaning ascribed thereto in Section ~~6.2~~6.2 hereof;

"**SAR Term**" has the meaning ascribed thereto in Section ~~6.4(1)~~6.4(1) hereof;

"**Share**" means a common share in the capital of the Company, or such other security of the Company as may be designated by the Board from time to time in substitution thereof;

"**Share Based Compensation Arrangement**" for the purposes of the Plan means any option, share option plan, share incentive plan, employee share purchase plan where the Company provides any financial assistance or matching mechanism, stock appreciation right or any other compensation or incentive mechanism involving the issuance or potential issuance of securities from the Company's treasury, including a share purchase from treasury which is financially assisted by the Company by way of a loan guarantee or otherwise, but for greater certainty does not ~~involve~~include: (a) the management incentive plan of the Company dated September 1, 2016; and (b) compensation arrangements which do not involve the issuance or potential issuance of securities from the Company's treasury;

~~"**Share**" means a common share in the capital of the Company, or such other security of the Company as may be designated by the Board from time to time in substitution thereof;~~

"**Subsidiary**" means any entity that is a "subsidiary" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time;

"**Tax Act**" means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

"**Termination Date**" means

(a) ~~(i)~~ with respect to a Participant who is an employee or officer of the Company or a Subsidiary, such Participant's last day of ~~active employment and does not include any period of statutory, reasonably or contractual notice or any period of deemed employment or salary continuance and (ii) with respect to a Participant who is a Consultant, the date such Consultant ceases to provide services to the Company or a Subsidiary;~~Active Employment;

(b) with respect to a Participant who is a Non-Employee Director, the date such Person ceases to be a director of the Company or Subsidiary, effective on the last day of the Participant's actual and active Board membership, provided that if a Non-Employee Director becomes an employee of the Company or any of its Subsidiaries, such Participant's Termination Date will be such Participant's last day of Active Employment; and

(c) with respect to a Participant who is a Consultant, such Consultant's last day of Active Engagement;

"**Trading Day**" means any day on which the TSX is ~~opened~~open for trading;

"**TSX**" means the Toronto Stock Exchange; and

"**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.

ARTICLE 2~~ARTICLE 2 —~~
PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

2.1 ~~2.1~~ Purpose of the Plan

~~(1)~~ The purpose of the Plan is to advance the interests of the Company by: (~~i~~a) providing Eligible Participants with additional incentives; (~~ii~~b) encouraging share ownership of such Eligible Participants; (~~iii~~c) increasing proprietary interests of Eligible Participants in the success of the Company; (~~iv~~d) promoting growth and profitability of the Company; (~~v~~e) encouraging Eligible Participants to take into account long-term corporate performance; (~~vi~~f) rewarding Eligible Participants for sustained contributions to the Company and/or significant performance achievements of the Company; and (~~vii~~g) enhancing the Company's ability to attract, retain and motivate Eligible Participants.

2.2 ~~2.2~~ Implementation and Administration of the Plan

(1) ~~(1)~~ The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by the Compensation Committee of the Board (the "**Committee**"). If the

Committee is appointed for this purpose, all references to the term "Board" will be deemed to be references to the Committee.

(2) ~~(2)~~ The Board or, for greater certainty, the Committee, may, from time to time, as it may deem expedient, adopt, amend and rescind rules, regulations and policies for carrying out the provisions and purposes of the Plan, subject to any applicable rules of the TSX. Subject to the provisions of the Plan, the Board or, for greater certainty, the Committee, is authorized, in its sole and absolute discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration of the Plan as it may deem necessary or advisable. The interpretation, construction and application of the Plan and any provisions hereof made by the Board or, for greater certainty, the Committee, shall be final and binding on all Eligible Participants.

(3) ~~(3)~~ No member of the Board or, for greater certainty, the Committee or any other subdelegate, shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder.

(4) ~~(4)~~ Any determination approved by a majority of the Board or, for greater certainty, the Committee, shall be deemed to be a determination of that matter by the Board or, for greater certainty, the Committee.

(5) ~~(5)~~ Subject to the terms of this Plan and applicable law, the Board or, for greater certainty, the Committee, may delegate to one or more officers of the Company, or to a committee of such officers, the ~~authority, subject to such terms and limitations as the Board or the Committee may determine, to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend or terminate Awards.~~day-to-day administration of the Plan.

(6) ~~(6)~~ ~~The~~Subject to the terms of the Plan, the Board, or the Committee, as the case may be, ~~subject to the terms of the Plan and~~ has the sole and absolute discretion and authority ~~to~~:

(a) to select those ~~persons to whose~~Persons to whom Awards may be granted from time to time;

(b) to determine whether and to what extent Awards are to be granted hereunder;

(c) to determine the terms and conditions of any Award granted hereunder;

(d) to adjust the terms and conditions, at any time or from time to time, of any Award;

(e) to determine the number of Shares to be made subject to each Award;

(f) to determine to what extent and under what circumstances amounts payable with respect to an Award shall be deferred either automatically or at the election of the Participant or the Board, or the Committee, as the case may be;

(g) to accelerate the vesting, delivery, or exercisability of, or payment for or lapse of restrictions on, or waive any condition in respect of, Awards;

(h) ~~(g)~~ to provide for the forms of Grant Agreement to be utilized in connection with the Plan;

(i) ~~(h)~~ to determine what legal requirements are applicable to the Plan and Awards, and to require of an Eligible Participant that appropriate action be taken with respect to such requirements;

(j) ~~(i)~~ to cancel, forfeit or suspend, with the consent of the Eligible Participant or as otherwise provided in the Plan or a Grant Agreement, outstanding Awards;

(k) ~~(j)~~ to require as a condition of the exercise of an Award the withholding from ~~a~~an Eligible Participant of the amount of any taxes as may be necessary or advisable in order for the Company or any other employer to obtain a deduction or as may be otherwise required by law;

(l) ~~(k)~~ to determine whether and with what effect an individual has ceased to be an Eligible Participant and to determine the Termination Date;

(m) ~~(l)~~ to determine whether an Award is to be adjusted, modified or purchased, or is to become fully exercisable, under the Plan or the terms of ~~an~~a Grant Agreement;

(n) ~~(m)~~ to determine the permissible methods of Award settlement, exercise and payment;

(o) ~~(n)~~ to construe and interpret the Plan and adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan;

(p) ~~(o)~~ to administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan;

(q) ~~(p)~~ to seek recommendations from the Chairman or from the Chief Executive Officer of the Company;

(r) ~~(q)~~ to appoint and compensate agents, counsel, auditors or other specialists to assist it in the discharge of its duties hereunder; and

(s) ~~(r)~~ to exercise discretion to make all other determinations or take all other actions necessary or advisable for the implementation and administration of the Plan.

2.3 ~~2.3~~ **Eligible Participants**

(1) ~~(1)~~ The Persons who shall be eligible to receive ~~Awards ("**Eligible Participants**")~~Options, RSUs and SARs shall be the officers, directors, ~~senior executives and other~~ employees, and Consultants of the Company or ~~an Affiliate, consultants and service providers~~a Subsidiary, providing ongoing services to the Company and its ~~Affiliates~~Subsidiaries, and the Persons who shall be eligible to receive DSUs shall be the Non-Employee Directors (collectively, "**Eligible Participants**"). In determining Awards to be granted under the Plan, the Board shall give due consideration to, among other matters, the value of each Eligible Participant's present and potential future contribution to the Company's success.

(2) ~~(2)~~ Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Company or a Subsidiary.

(3) ~~(3)~~ Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee of employment by the Company to the Participant.

2.4 ~~2.4~~ Shares Subject to the Plan.

(1) ~~(1)~~ Subject to adjustment pursuant to provisions of ~~Article 8~~Article 8 hereof, the total number of Shares reserved and available for grant and issuance pursuant to Awards under the Plan or pursuant to awards under any other established Share Based Compensation Arrangements shall not exceed ~~4,665,000~~3,900,000 (being ~~11.2~~9.3% of the total issued and outstanding Shares as of May ~~8~~13, ~~2024~~2026); provided, however, that in the event that any such outstanding ~~awards under other Share Based~~Awards under the Plan or any other Share Based Compensation Arrangements are forfeited they shall be added to the aggregate number of Shares reserved and available for grant pursuant to this Section ~~2.4(1)~~2.4(1).

(2) ~~(2)~~ Subject to adjustment pursuant to provisions of ~~Article 8~~Article 8 hereof, of the number of Shares reserved under ~~section 2.4(1)~~Section 2.4(1), the total number of Shares available for issuance from treasury under the Plan pursuant to SARs or RSUs shall not exceed ~~1,400,000~~2,000,000 (being 4.8% of the total issued and outstanding Shares as of May 13, 2026).

(3) ~~(3)~~ Shares in respect of which an Award is granted under the Plan~~,~~ but not exercised prior to the termination of such Award or not vested or delivered prior to the termination of such Award due to the expiration, termination, cancellation or lapse of such Award, ~~shall~~or settled in cash in lieu of settlement in Shares, shall, in each case be available for Awards to be granted thereafter pursuant to the provisions of the Plan. All Shares issued pursuant to the exercise or the vesting of the Awards granted under the Plan shall be so issued as fully paid and non-assessable Shares. Notwithstanding anything herein to the contrary, any Shares forfeited, cancelled or otherwise not issued for any reason pursuant to awards under the ~~awards of the~~ Prior Plans shall be available for grants under this Plan. Awards that by their terms are to be settled solely in cash shall not be counted against the number of Shares available for the issuance of Awards under the Plan. The following shall not be added back to the number of Shares available for grant under the Plan: (~~i~~a) Shares tendered as payment for the exercise of an Option; (~~ii~~b) Shares withheld to pay any applicable taxes on the settlement of an Award; (~~iii~~c) Shares repurchased by the Company using the proceeds of the exercise of Options; or (~~iv~~d) ~~Awards settled by the issuance of Shares~~Shares issued pursuant to the settlement of Awards where only the actual Shares delivered are counted against the number of Shares eligible for grant as an Award.

2.5 ~~2.5~~ Participation Limits

Subject to adjustment pursuant to the provisions of ~~Article 8 hereof~~Article 8 and the aggregate limit prescribed in Section 2.4(1), the aggregate number of Shares:

(1) ~~(1)~~ ~~(i~~a) issued to Insiders pursuant to the Plan and all other Share Based Compensation Arrangements, within any one year period~~,~~; and (~~ii~~b) issuable to Insiders, at any time, pursuant to the Plan and all other Share Based Compensation Arrangements, shall in each case not exceed 10% of the number of issued and outstanding Shares on the date of grant ~~(~~on a non-diluted basis~~)~~. Any Awards granted pursuant to the Plan~~,~~ to a Participant prior to the Participant becoming an Insider, shall be excluded for the purposes of the limits set out in this subsection~~;~~.

(2) ~~(2)~~ The maximum number of Shares which may be reserved for issuance to ~~non-employee directors~~Non-Employee Directors under the Plan shall be ~~the lesser of (i) 1% of the issued and~~

~~outstanding Shares on the date of grant, less the aggregate number of Shares reserved for issuance to such non-employee directors under any other Share Based Compensation Arrangement, and (ii)~~ an annual grant value to any one ~~non-employee director~~Non-Employee Director of $150,000. Of the $150,000 annual grant value set out in ~~(ii) above~~the immediately preceding sentence, a maximum of $100,000 in value may be granted in the form of Options (based upon a Black-Scholes calculation);

(3) ~~(3)~~ ~~All~~Except for DSUs, all Awards are subject to a minimum one year vesting period, provided, however, that up to 5% of the ~~Share~~Shares reserved under the Plan may be granted without a minimum vesting period when such Awards are being granted to newly employed, engaged or elected Participants, as the case may be; and

(4) ~~(4)~~ The granting of an ~~option~~Option under the Plan to a Participant shall neither entitle nor preclude such Participant from being subsequently granted one or more additional ~~options~~Options to purchase ~~Common~~ Shares under the Plan.

2.6 Non-Exclusivity

Nothing contained in this Plan will prevent the Board from adopting other or additional Share Based Compensation Arrangements, subject to obtaining the prior approval of applicable regulatory authorities, including the TSX, or any other approvals as may be required in the circumstances.

~~2.6 Granting of Awards~~

~~(1)~~ ~~Any Award granted under the Plan shall be subject to the requirement that if at any time counsel to the Company shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such Award or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Company to apply for or to obtain such listing, registration, qualification, consent or approval.~~

~~(2)~~ ~~Any Award granted under the Plan shall be subject to the requirement that the Company has the right to place any restriction or legend on any securities issued pursuant to this Plan.~~

ARTICLE 3~~ARTICLE 3 –~~
OPTIONS

3.1 ~~3.1~~ Nature of Options

An Option is an option granted by the Company to a Participant entitling such Participant to acquire one ~~Shares~~Share from treasury at the Option Price or, in the case of a Non-Canadian Participant only, from secondary market purchase, as determined by the Board, at the Option Price, subject to the provisions of this Plan.

3.2 ~~3.2~~ Option Awards

Subject to the provisions herein set forth ~~in this Plan~~ and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion~~,~~: (~~i~~a) designate the Eligible Participants who may receive Options under the Plan~~,~~; (~~ii~~b) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted~~,~~; (~~iii~~c) determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**") and the relevant vesting provisions (including Performance Criteria, if applicable); and (d) determine the Option Term (as defined below), the whole subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the TSX or any other stock exchange on which the Shares are traded.

3.3 ~~3.3~~ Option Price

The Option Price for Shares that are the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

3.4 ~~3.4~~ Option Term

(1) ~~(1)~~ The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement or Employment Agreement, as applicable entered into in respect of such Option, but in no event shall an Option expire on a date which is: (~~i~~a) before the date that is one year from the date the Option is granted; or (~~ii~~b) later than the date that is 10 years from the date the Option is granted ("**Option Term**"). Unless otherwise determined by the Board, and subject to the prior approval of the TSX, to the extent required, ~~and a 10 year Option Term limit,~~ all unexercised Options shall be automatically cancelled ~~at~~upon the expiry of such Options, without any further act or formality on the part of the Participant, the Company or any other Person.

(2) ~~(2)~~ Should the expiration date for an Option fall within a Black-Out Period or within nine Business Days immediately following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is ~~the 10th~~10 Business ~~Day~~Days after the end of the Black-Out Period, such ~~10th~~ Business Day to be considered the expiration date for such Option for all purposes under the Plan.~~-~~ Notwithstanding Section ~~8.2~~8.2 hereof, the ~~10th~~10 Business Day-period referred to in this Section ~~3.4~~3.4 may not be extended by the Board.

3.5 ~~3.5~~ Exercise of Options

(1) ~~(1)~~ Subject to the provisions of this Plan, a Participant shall be entitled to exercise an Option granted to such Participant at any time prior to the expiry of the Option Term, subject to vesting limitations which may be imposed by the Board at the time such Option is granted.

(2) ~~(2)~~ Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable as to all or such part or parts of the optioned Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole and absolute discretion. For greater certainty, no Option shall be exercised by a Participant during a Black-Out Period.

3.6 ~~3.6~~ Method of Exercise and Payment of Purchase Price

(1) ~~(1)~~ Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section ~~3.5~~3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or the individual that the Chief Financial Officer of the Company may from time to time designate) or give notice in such other manner as~~-~~ the Company may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, cheque, wire transfer or bank draft ~~of the purchase price for the number of Shares specified therein~~in an amount equal to the aggregate Option Price of the Shares to be purchased pursuant to the Exercise Notice and any applicable tax withholdings. Unless otherwise determined by the Board, the Company shall not offer financial assistance in regards to the exercise of an Option.

(2) No share certificates shall be issued and no Person shall be registered in the share register of the Company as the holder of Shares until actual receipt by the Company of an Exercise Notice and payment for the Shares to be purchased.

(3) ~~(2)~~ Upon the exercise of an Option, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

(a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or

(b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares.

3.7 ~~3.7~~ Option Agreements

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ~~Article 4 and Article 8~~Article 3 and Article 7 hereof be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 4~~ARTICLE 4~~
DEFERRED SHARE UNITS

4.1 ~~4.1~~ Nature of DSUs

A DSU is ~~an Award of phantom share units to an Eligible Participant~~a unit granted to Non-Employee Directors representing the right to receive the Cash Equivalent, subject to restrictions and conditions as the Board may determine at the time of grant. Conditions may be based on continuing ~~employment~~service as a director (or other service relationship) and/or achievement of pre-established Performance Criteria.

4.2 ~~4.2~~ Board to Determine Participation

The Board will determine, once each calendar year, whether ~~an Eligible Participant's~~a Non-Employee Director's annual retainer or a portion thereof will be paid in the form of DSUs, with the balance being paid in cash.–

4.3 ~~4.3~~ DSU Awards

~~The number of DSUs that an Eligible Participant is entitled to receive in a fiscal year is based upon the percentage that the Board has determined the Eligible Participant will receive, in DSUs multiplied by the Participant's annual retainer divided by the Market Value. At the discretion of the Board, fractional DSUs will not be issued and any fractional entitlements will be rounded down to the nearest whole number.~~

On the last Business Day of each fiscal quarter (each such date, a "**Quarterly Grant Date**"), the number of DSUs to be credited to a Non-Employee Director shall be determined by dividing: (a) one-quarter of the portion of the Non-Employee Director's annual retainer that the Board has determined will be paid in DSUs for such calendar year; by (b) the Market Value on such Quarterly Grant Date. Any fractional DSUs resulting from such calculation will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

4.4 ~~4.4~~ Redemption of DSUs

(1) ~~(1)~~ Each ~~Participant~~Non-Employee Director shall be entitled to redeem his or her DSUs during the period commencing on the Business Day immediately following the Termination Date and ending on the 90th day following the Termination Date, or such shorter redemption period set out in the relevant DSU Agreement (the "**Redemption Deadline**") by providing a written Notice of Redemption to the Company setting out the number of DSUs to be settled. In the event of death of a ~~Participant~~Non-Employee Director, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the ~~Participant. The~~Non-Employee Director. Settlement of DSUs shall take place promptly following the Company's receipt of the Notice of Redemption ~~must specify an election to receive:~~by delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent, which shall be calculated by multiplying the Market Value on the date the Company receives, or is deemed to receive, the Notice of Redemption by the number of DSUs to be redeemed.

~~(a) a cash payment equal to the number of DSUs credited to the Participant's Account as of the Termination Date multiplied by the Market Value on the Termination Date, net of any applicable withholding taxes; or~~

~~(b) Shares purchased on the Participant's behalf on the open market by a Broker; or~~

~~(c) a percentage of the DSUs paid out in cash and the remaining percentage of the DSUs paid out as Shares on the Participant's behalf on the open market by a Broker.~~

(2) In the event that a Notice of Redemption is not provided by a ~~Participant, such Participant~~Non-Employee Director on or before the Redemption Deadline, the Non-Employee Director will be deemed to have ~~elected to~~delivered a Notice of Redemption on the Redemption Deadline and will receive ~~a cash payment~~the Cash Equivalent of all DSUs credited to the Non-Employee Director's Account as provided for in Section ~~4.4(1)(a). Notwithstanding anything else to the contrary contained herein, in a Notice of Redemption or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any DSU so redeemed in cash, Shares or a combination thereof.~~4.4(1).

~~(2) Where Shares are purchased on the open market on the Participant's behalf, the Company will remit all or a portion of the final payment to the Broker, and the Broker will be required to (within 10 Business Days) use the amount to purchase Shares in the open market on the principal Canadian stock exchange or any other public exchange on which the Shares are traded. The number of Shares will be computed by taking the number of DSUs that the Participant elected to receive in Shares, net of the number of DSUs that would equal to any applicable withholding taxes. Any Shares acquired by the Broker from all or a portion of the final payment and any cash remaining therefrom shall be delivered directly to the Participant forthwith as soon as practicable upon completion of such purchases. The Company will pay all brokerage fees arising in connection with the purchase of Shares by the Broker in accordance with the Plan~~

(3) ~~(3) Provided a Notice of Redemption is received by the Company within the specified time set out in this Plan.~~ The Company will make ~~all of~~ the payments described in this ~~Article 4 (referred to hereinafter as the "**Final Payment**") to the Participant or the Broker, as applicable,~~Article 4 to the Non-Employee Director within 120 calendar days of the Termination Date. Upon making such payment to the ~~Participant or the Broker~~Non-Employee Director, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs.

4.5 ~~4.5~~ DSU Agreements

DSUs shall be evidenced by a DSU Agreement~~ or included in an Employment Agreement~~, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ~~Article 4 and Article 8~~Article 4 and Article 7 hereof be included therein. The DSU Agreement shall contain such terms that may be considered necessary in order that the ~~DSU~~DSUs will comply with any provisions respecting deferred share units in the income tax or other laws in force in any country or jurisdiction of which the ~~Participant~~Non-Employee Director may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 5~~ARTICLE 5~~
RESTRICTED SHARE UNITS

5.1 ~~5.1~~ Nature of RSUs.

An RSU is an Award entitling the recipient to acquire Shares or the Cash Equivalent, at such purchase price (which may be zero) as determined by the Board, subject to such restrictions and conditions as the

Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established Performance Criteria.

5.2 ~~5.2~~ RSU Awards

(1) ~~(1)~~ Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion~~,~~: (~~i~~a) designate the Eligible Participants who may receive RSUs under the Plan~~,~~; (~~ii~~b) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted~~,~~; and (~~iii~~c) determine the class of Share, relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and Restriction Period (as defined below) of such RSUs, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

~~(2) Any RSUs that are awarded to an Eligible Participant who is a resident of Canada or employed in Canada (each for purposes of the Tax Act) shall be structured so as to be considered to be a plan described in section 7 of the Tax Act or in such other manner to ensure that such award is not a "salary deferral arrangement" as defined in the Tax Act (or any successor to such provisions).~~

(2) ~~(3)~~ Subject to the vesting and other conditions and provisions set forth herein and in the RSU Agreement, the Board shall determine whether each RSU awarded to a Participant shall entitle the Participant: (~~i~~a) to receive one Share issued from treasury or purchased on the secondary market; (~~ii~~b) to receive the Cash Equivalent of one Share; or (~~iii~~c) to elect to receive either one Share from treasury or purchased on the secondary market, the Cash Equivalent of one Share or a combination of ~~cash~~the Cash Equivalent and Shares.

5.3 ~~5.3~~ Restriction Period

The applicable restriction period in respect of a particular RSU ~~award~~ shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three years after the calendar year in which the Award is granted ("**Restriction Period**"). For example, the Restriction Period for a grant made in June ~~2021~~2026 shall end no later than December 31, ~~2024~~2029. Subject to the Board's determination, any vested RSUs ~~with respect to a Restriction Period~~ will be ~~paid to Participants~~settled in accordance with ~~Article 5~~Article 5, no later than the end of the Restriction Period. Unless otherwise determined by the Board, all unvested RSUs shall be automatically cancelled on the RSU Vesting Determination Date (as such term is defined in Section ~~5.5~~5.5) and, in any event, no later than the last day of the Restriction Period, without any further act or formality on the part of the Participant, the Company or any other Person.

5.4 ~~5.4~~ Performance Criteria and Performance Period

(1) ~~(1)~~ For each award of RSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares or cash in exchange for all or a portion of the RSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Restriction Period, being no longer than three years after the financial year in which the Award was granted.

(2) ~~(2)~~ For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period in order for a Participant to be entitled to receive Shares or cash in exchange for his or her RSUs.

5.5 ~~5.5~~ **RSU Vesting Determination Date**

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to a RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

5.6 ~~5.6~~ **Settlement of RSUs**

(1) ~~(1)~~ Except as otherwise provided in the RSU Agreement, ~~in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied, all of the~~all vested RSUs ~~covered by a particular grant may~~shall be settled ~~at any time beginning on the first Business Day~~as soon as practicable following ~~their~~the RSU Vesting Determination Date but ~~no later than the date that is six months from their RSU Vesting Determination Date~~ in all cases prior to: (a) the last day of the Restriction Period, if such RSUs are not governed by section 7 of the Tax Act; or (b) 10 years following the date of grant of the RSUs, if such RSUs are governed by section 7 of the Tax Act. Following the receipt of such settlement, the RSUs so settled shall be of no value whatsoever and shall be removed from the Participant's Account (the "**RSU Settlement Date**").

(2) ~~(2)~~ Subject to Section ~~5.6(3)~~5.6(3), settlement of RSUs shall take place ~~promptly following~~on the RSU Settlement Date, and in any event no later than three months from the Termination Date, or such shorter time period as prescribed by the Board or this Plan, and take the form set out in the RSU Settlement Notice through:

(a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent;

(b) in the case of settlement of RSUs for Shares~~,~~: (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of ~~(a)~~(a) and ~~(b)~~(b) above.

(3) ~~(3)~~ Notwithstanding any other provision of this Plan, in the event that an RSU Settlement Date falls during a Black-Out Period or ~~other trading restriction imposed by the Company~~within nine Business Days immediately following the expiration of a Black-Out Period, and the Participant has not delivered an RSU Settlement Notice, then such RSU Settlement Date shall be

automatically extended ~~to the 10th~~without any further act or formality to that date which is 10 Business ~~Day~~Days following the date that such Black-Out Period or other trading restriction is lifted, terminated or removed.

5.7 ~~5.7~~ Determination of Amounts

(1) ~~(1)~~ *Cash Equivalent of RSUs*. For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section ~~5.6~~5.6, such calculation will be made on the RSU Settlement Date and shall equal the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account which the Participant desires to settle in cash pursuant to the RSU Settlement Notice.

(2) ~~(2)~~ *Payment in Shares; Issuance of Shares from Treasury*. For the purposes of determining the number of Shares from treasury to be issued and delivered to a Participant upon settlement of RSUs pursuant to Section ~~5.6~~5.6, such calculation will be made on the RSU Settlement Date and be the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account which the Participant desires to settle pursuant to the RSU Settlement Notice. Shares issued from treasury will be issued in consideration for the past services of the Participant to the Company and the entitlement of the Participant under this Plan shall be satisfied in full by such issuance of Shares.

5.8 ~~5.8~~ RSU Agreements

RSUs shall be evidenced by an RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ~~Article 5 and Article 7~~Article 5 and Article 7 hereof be included therein. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 6~~ARTICLE 6~~ SHARE APPRECIATION RIGHTS

6.1 ~~6.1~~ Nature of SARs

A SAR is an Award entitling the recipient to receive Shares or the Cash Equivalent having a value equal to the excess of: (~~i~~a) the Market Value of one Share on the date of exercise; over (~~ii~~b) the grant price of the right on the date of grant, as specified by the Board in its sole and absolute discretion, which shall not be less than the Market Value of one Share on such date of grant of the right, multiplied by the number of Shares with respect to which the SAR shall have been exercised.

6.2 ~~6.2~~ SAR Awards

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole and absolute discretion~~,~~: (~~i~~a) designate the Eligible Participants who may receive ~~SAR Awards~~SARs under the Plan~~,~~; (~~ii~~b) fix the number of ~~SAR Awards~~SARs to be granted to each Eligible Participant and the date or dates on which such ~~SAR Awards~~SARs shall be granted~~,~~; and (~~iii~~c) determine the class of Share, the price per Share to be payable upon the vesting of each such SAR (the "**SAR Price**") and the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the SAR Term, the whole subject to the terms and conditions prescribed in this Plan and in any SAR Agreement.

6.3 ~~6.3~~ SAR Price

The SAR Price for the Shares that are the subject of any SAR shall be fixed by the Board when such SAR is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

6.4 ~~6.4~~ SAR Term

(1) ~~(1)~~ The Board shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than 10 years from the date the SAR is granted ("**SAR Term**") and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Board, all unexercised SARs shall automatically be cancelled ~~at~~upon the expiry of such ~~SAR~~SARs, without any further act or formality on the part of the Participant, the Company or any other Person.

(2) ~~(2)~~ ~~Should~~Notwithstanding any other provision of this Plan, in the event that the expiration date for a SAR ~~fall within~~falls within a Black-Out Period or within nine Business Days immediately following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is ~~the 10th~~10 Business ~~Day~~Days after the end of the Black-Out Period, such ~~10th~~ Business Day to be considered the expiration date for such SAR for all purposes under the Plan. Notwithstanding Section ~~8.2~~8.2 hereof, the 10 Business Day-period referred to in this Section ~~6.4~~6.4 may not be extended by the Board.

6.5 ~~6.5~~ Exercise of SARs

Prior to its expiration or earlier termination in accordance with the Plan, each SAR shall be exercisable as to all or such part or parts of the granted Shares and at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular SAR, may determine in its sole and absolute discretion. For greater certainty, no SAR shall be exercised by a Participant during a Black-Out Period.

6.6 ~~6.6~~ Method of Exercise and Payment of Purchase Price

(1) ~~(1)~~ Subject to the provisions of the Plan, a SAR granted under the Plan shall be exercisable (from time to time as provided in Section ~~6.5~~6.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Company at its registered office to the attention of the Chief Financial Officer of the Company (or to the individual that the Chief Financial Officer of the Company may from time to time designate) or give notice in such other manner as the Company may from time to time designate, no less than three Business Days in advance of the effective date of the proposed exercise, which notice shall specify the number of Shares with respect to which the SAR is being exercised and the effective date of the proposed exercise. In the Exercise Notice, the Participant will indicate its preference to settle vested SARs for the Cash Equivalent, Shares issued from treasury, or a combination thereof. Notwithstanding anything else to the contrary contained herein, in an Exercise Notice or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any SAR for their Cash Equivalent, Shares issued from treasury, or a combination thereof.

(2) ~~(2)~~ The exercise of a SAR with respect to any number of Shares shall entitle the Participant to Shares or the Cash Equivalent equal to the excess of the Market Value of a Share on the effective date of such exercise over the per share SAR Price.

(3) ~~(3)~~ Upon the exercise, the Company shall, as soon as practicable after such exercise but no later than 10 Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

(a) in the case of settlement of SARs for the Cash Equivalent, delivery of a cheque, bank draft or wire transfer to the Participant representing the Cash Equivalent;

(b) in the case of settlement of SARs for Shares~~,~~: (i) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive; or (ii) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) is then entitled to receive to be evidenced by a book position on the register of the shareholders of the Company to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the SARs for a combination of Shares and the Cash Equivalent, a combination of ~~(a)~~(a) and ~~(b)~~(b) above.

6.7 ~~6.7~~ SAR Agreements

SARs shall be evidenced by a SAR Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of ~~Article 6 and Article 7~~Article 6 and Article 7 hereof be included therein. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Company.

ARTICLE 7~~ARTICLE 7~~
GENERAL CONDITIONS

7.1 ~~7.1~~ General Conditions applicable to Awards

Each Award, as applicable, shall be subject to the following conditions:

(1) ~~(1)~~ *Employment* — The granting of an Award to a Participant shall not impose upon the Company or an Affiliate any obligation to retain the Participant in its employ in any capacity~~. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Company to grant any awards in the future nor shall it entitle the~~, nor shall it be interpreted as a promise or guarantee of continued employment to such Participant~~ to receive future grants~~.

(2) ~~(2)~~ *No Rights as a Shareholder* — Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to

such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) (or in the case of Shares issued in uncertificated form, receipt of ~~evidenced~~evidence of a book position on the register of the shareholders of the Company maintained by the transfer agent and registrar of the Shares). Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Share certificate is issued (or in the case of Shares issued in uncertificated form, such book position on the register is evidenced, as applicable).

(3) ~~(3)~~ *Conformity to Plan* — In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the ~~Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with~~terms of the Plan shall govern.

(4) ~~(4)~~ ~~*Transferrable Awards* — Except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law,~~*Non-Transferability* — Awards are not assignable or transferable and no assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect~~.~~, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or as required by law, provided that the legal representative of such Participant shall first deliver evidence satisfactory to the Company of entitlement to exercise any Award.

(5) *No Guarantee* — No amount will be paid to or in respect of a Participant under the Plan or pursuant to any other arrangement, and no Awards will be granted to such Participant to compensate for any downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon or in respect of the Participant for such purpose.

(6) *Acceptance of Terms* — Participation in the Plan by any Participant shall be construed as acceptance of the terms and conditions of the Plan by the Participant and as to the Participant's agreement to be bound thereby.

(7) *Fractional Shares* — No fractional Shares will be issued upon the exercise or settlement of Awards granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise or settlement of an Award, or from an adjustment pursuant to Section 8.1, such Participant will only have the right to purchase or acquire the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

7.2 ~~7.2~~ Termination of Employee, Director or Consultant

~~Subject to Section 7.3, unless otherwise determined by the Board or as set forth in a Grant Agreement:~~

(1) ~~(1)~~ Subject to Section 7.3, a Participant's Employment Agreement and Grant Agreement, and as otherwise determined by the Board, each Award shall be subject to the following conditions:

(a) *Termination for Cause*. ~~Upon~~If a Participant ~~ceasing~~ceases to be an Eligible Participant as a result of such Participant's appointment, engagement, or employment with the Company or an Affiliate being terminated for Cause, all unexercised vested or unvested

Options and unvested RSUs, DSUs and SARs, as applicable, granted to such Participant shall terminate on the Termination Date~~ as specified in the notice of termination~~. For the purposes of the Plan, the determination by the Company that the Participant was discharged for Cause shall be binding on the Participant.

(b) *Termination other than for Cause*. ~~In the case of~~If a Participant ~~ceasing~~ceases to be an Eligible Participant ~~due to~~as a result of such Participant's ~~termination other than for~~engagement or employment with the Company or an Affiliate being terminated without Cause, subject to any later expiration ~~dated~~dates determined by the Board:

(i) all vested and unexercised Options shall expire on the earlier of ~~90 days after the effective date of such~~(x) the expiry of the 90 day period immediately following the Termination Date or (y) the expiry date of such Option, and all unvested Options shall terminate on the ~~effective date of such termination~~Termination Date; ~~and~~

(ii) in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any vested RSUs and SARs, as applicable, held by the Participant on the Termination Date, the Company shall settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following receipt of written notice of termination, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion; and

(iii) ~~(ii) the Eligible Participant shall be entitled to receive and the Company shall issue forthwith Shares or pay cash, in accordance with the applicable Award Agreement, in satisfaction of any vested RSUs, DSUs or SARs held by the Eligible Participant on the effective date of such Termination Date. All~~all other unexercised or unvested Awards (other than Options, which shall be governed by Section 7.2(1)(b)(i)) granted to such Participant shall immediately vest and the settlement amount of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the ~~date of termination~~Termination Date, and any such Awards subject to a time vesting criteria shall be pro-rated for the time elapsed from the date of grant to the ~~date of termination~~Termination Date. The settlement of any such accelerated Awards shall be subject to the same valuation date, election mechanism and Board discretion as set forth in Section 7.2(1)(b)(ii) above.

(c) *Resignation*. ~~In the case of~~If a Participant ~~ceasing~~ceases to be an Eligible Participant due to such Participant's resignation from the Company or an Affiliate, and their resignation does not qualify as a retirement, subject to any later expiration dates determined by the Board:

(i) all vested and unexercised Options shall expire on the earlier of ~~90 days after the effective date of such~~(x) the expiry of the 90 day period immediately following the Termination Date or (y) the expiry date of such Option, and all unvested Options shall terminate on the ~~effective date of such resignation~~Termination Date; and

~~(ii) the Eligible Participant shall be entitled to receive and the Company shall issue forthwith Shares or pay cash, in accordance with the applicable Award Agreement, in satisfaction of any vested RSUs, DSUs or SARs held by the Eligible Participant on the effective date of such Termination Date, and all other unexercised or unvested Awards granted to such Participant shall terminate on the effective date of such resignation.~~

(ii) in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any vested RSUs and SARs, as applicable, held by the Participant on the Termination Date, the Company shall settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following the Termination Date, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion. All other unexercised or unvested Awards granted to such Participant shall terminate on the Termination Date.

(d) *Death or Disability*. In the case of a Participant ceasing to be an Eligible Participant due to death or Disability, as applicable, subject to any later expiration dates determined by the Board:

(i) all Options shall expire on the earlier of ~~12 months after~~(x) the expiry of the 12 month period immediately following the effective date of such death or, in the case of Disability, ~~or~~the Termination Date, or (y) the expiry date of such Option, to the extent such Option was vested and exercisable by the Participant on the effective date of such death or, in the case of Disability, the Termination Date, and all unexercised unvested Options granted to such Participant shall ~~terminated~~terminate on the effective date of such death or, in the case of Disability, the Termination Date; and

(ii) ~~all RSUs, DSUs and SARs shall continue to vest for a maximum period of 12 months from~~in respect of any vested DSUs held by the Participant on the effective date of such death or, in the case of Disability ~~or~~, the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any RSUs and SARs, as applicable, held by the Participant, such Awards shall continue to vest for (x) a maximum period of 12 months immediately following the effective date of such death or, in the case of Disability, the Termination Date, or (y) until the vesting date set out in the ~~Eligible~~ Participant's applicable Grant Agreement (whichever is shorter and being the "**Applicable Period**") ~~and~~. The Company shall settle all vested RSUs and SARs within 30 days immediately following the Applicable Period, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the last day of the Applicable Period. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant (or the administrator or liquidator of the estate of the Participant, as applicable) may, within 10 Business Days following the end of the Applicable Period, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion.

(e) *Retirement*. In the case of a Participant ceasing to be an Eligible Participant due to such Participant's retirement in accordance with the Company's retirement policy, subject to any later expiration dates determined by the Board:

(i) all unvested Options shall continue to vest in accordance with the terms of the applicable Option Agreement and any vested unexercised Options shall expire on the earlier of the five ~~years after the effective date of retirement~~year period immediately following the Termination Date or the expiry date of such Option;

(ii) ~~all RSUs, DSUs and SARs~~in respect of any vested DSUs held by the Participant on the Termination Date, such DSUs shall be redeemed in accordance with Section 4.4 (and, in the case of U.S. Participants, the applicable provisions of the Addendum for U.S. Participants); and in respect of any RSUs and SARs, as applicable, held by the Participant, such Awards shall continue to vest in accordance with the terms of the applicable Grant Agreement. The Company shall settle each tranche of RSUs or SARs, as applicable, within 30 days following the applicable vesting date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the applicable vesting date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following each applicable vesting date, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement; provided that in the absence of a timely election by the Participant, the Board shall determine the form of settlement in its sole and absolute discretion. Settlement of any such Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the ~~date of retirement~~Termination Date.

(2) ~~(2)~~ ~~for the avoidance of doubt, subject to applicable laws,~~ no period of notice, if any, or payment instead of notice that is given or that ought to have been given under applicable law, whether by statute, imposed by a court or otherwise, in respect of such termination of employment that follows or is in respect of a period after the Participant's Termination Date will be considered as extending the Participant's period of employment for the purposes of determining his or her entitlement under the Plan;

~~(3) the Participant shall have no entitlement to damages or other compensation arising from or related to not receiving any awards which would have settled or vested or accrued to the Participant after the Termination Date;~~

(3) ~~(4)~~ a Participant's eligibility to receive further grants of Awards under this Plan ceases as of:

(a) the date that the Company or an Affiliate of the Company, as the case may be, provides the Participant with written notification that the Participant's employment or services are terminated in the circumstances contemplated by this Section ~~7.2~~7.2, notwithstanding that such date may be prior to the Termination Date; or

(b) the date of the death or Disability of the Participant; and

(4) ~~(5)~~ notwithstanding ~~Subsection 7.2(3)~~Section 7.3, unless the Board, in its sole and absolute discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment agreement or arrangement, or directorship within or among the Company or an Affiliate of the Company for so long as the Participant continues to be a director, employee or ~~consultant~~Consultant, as applicable, of the Company or an Affiliate of the Company. For clarity and by way of example only, subject to the Board's sole and absolute discretion, if a director ceases to be a director but becomes or remains a ~~consultant~~Consultant, the Awards held by such Participant will not be affected by ceasing to be a director.

7.3 Common Law Waiver

The Participant agrees that by executing a Grant Agreement, they shall have no entitlement to damages or other compensation arising from or related to not receiving any or all of the Awards, payments or benefits that would have accrued to the Participant after the Termination Date. For clarity, except for the minimum period of notice of termination required to be provided pursuant to the ESL (if any and if applicable), no period of notice, if any, or payment instead of notice that is given or that ought to have been given under contract or at common law (whether or not imposed by a court), in respect of such termination of employment that follows or is in respect of a period after the Participant's Termination Date will be considered as extending the Participant's period of employment or be used for purposes of calculating the Participant's entitlement under this Plan. The Participant waives the right to receive damages or payment in lieu of any forfeited remuneration or grant under this Plan that would have accrued during any contractual or common law reasonable notice period that exceeds the Participant's minimum statutory notice of termination period beyond that required by the ESL (if any and if applicable).

7.4 ~~7.3~~ Discretion to Permit Acceleration

Notwithstanding the provisions of Section ~~7.2~~7.2, the Board, in its sole and absolute discretion, subject to shareholder and TSX approval, as and when required, may at any time prior to, or following the events contemplated in such Section of the Plan, or in an Employment Agreement or other written agreement between the Company or an Affiliate of the Company and the Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms as may be authorized by the Board, and if such discretion is taken and the vesting of any or all Awards occurs, then such Awards will be settled in accordance with the terms hereof.

7.5 ~~7.4~~ Change of Control

(1) ~~(1)~~ Despite any other provisions of this Plan, in the event of a Change of Control, the Board may, in its sole and absolute discretion, elect one of the following: (a) require that all unvested Awards then outstanding ~~will, as applicable,~~ be substituted or replaced with awards of the surviving corporation (or any Affiliate thereof) or the potential successor (or any Affiliate thereof) (the "**continuing entity**") on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards~~.~~; or (b) accelerate the vesting of all or any outstanding Awards and, as applicable, permit the exercise or settlement of such Awards, in each case on such terms and conditions as the Board may determine. In the absence of a determination by the Board under this Section 7.5, all unvested Awards then outstanding will be substituted or replaced in accordance with clause (a) above.

(2) ~~(2)~~ If, upon a Change of Control, the Board has elected substitution or replacement of Awards pursuant to Section 7.5(1)(a) (or such substitution or replacement has occurred by default) and the continuing entity fails to comply with ~~Section 7.4(1)~~such requirement, the vesting of all then outstanding Awards (and, if applicable, ~~then~~the time during which such Awards may be exercised) will be accelerated in full. Immediately prior to the Change of Control, the number of Shares to be issued on settlement of any Awards subject to Performance Criteria, will be calculated against objective criteria, as determined by the Board and further pro-rated based on the number of days elapsed during the Performance Period up to and including the date of the Change of Control.

(3) ~~(3)~~ No fractional Shares or other security will be issued upon the exercise of any Award and accordingly, if as a result of a Change of Control, a Participant would become entitled to a fractional Share or other security, such Participant will have the right to acquire only the next lowest whole number of Shares or other security and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

(4) ~~(4)~~ Despite anything else contrary in the Plan, in the event of a potential Change of Control, the Board will have the power, in its sole and absolute discretion, to modify the terms of the Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change of Control, the Board ~~had~~has the power, in its sole and absolute discretion, to accelerate the vesting of Awards and to permit Participants to conditionally exercise or settle their Awards, such conditional exercise or settlement to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-over bid in accordance with the terms of the take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the Change of Control referred to in this Section ~~7.4(4)~~7.5(4) is not completed within the time specified (as same may be extended), then despite this Section ~~7.4(4)~~7.5(4) or the definition of "Change of Control"~~,~~: (~~i~~a) any conditional

exercise or settlement of vested Awards will be deemed to be null, void and of no effect, and such conditionally exercised or settled Awards will for all purposes be deemed not to have been exercised~~,~~ or settled; and (~~ii~~b) Awards which vested pursuant to this Section ~~7.4(4)~~7.5(4) will be returned by the Participant to the Company and reinstated as authorized ~~by~~but unissued Shares and the original terms applicable to such Awards will be reinstated.

(5) ~~(5)~~ If the Board has, pursuant to the provisions of Section ~~7.4(4)~~ 7.5(4), permitted the conditional exercise or settlement of Awards in connection with a potential Change of Control, then the Board will have the power, in its sole and absolute discretion, to terminate, immediately following actual completion of such Change of Control and on such terms as it sees fit, any Awards not exercised or settled (including all vested and unvested Awards).

(6) ~~(6)~~ Subject to any provisions with respect to the vesting of Awards in a Participant's Employment Agreement, in the event that a Participant's employment with the Company is terminated other than as a result of death, Disability or termination for Cause within 24 months of a Change of Control, notwithstanding the other terms of this Plan: (~~i~~a) any Awards then outstanding shall automatically vest~~, so that, notwithstanding the other terms of this Plan,~~; (~~ii~~b) such Options may be exercised in whole or in part by the Participant for 90 days thereafter (or such longer period as may be prescribed by law or as may be determined by the Board in its sole and absolute discretion) or prior to the ~~Expiry Date~~expiry date in respect thereof, whichever is sooner; and (~~iii) such~~c) in respect of any vested RSUs~~, DSUs~~ and SARs~~ shall vest and~~, as applicable, held by the Participant~~ shall be entitled to receive and~~, the Company shall ~~issue forthwith Shares or pay cash, in accordance with~~settle such Awards within 30 days following the Termination Date, with the Market Value for purposes of determining the Cash Equivalent or the number of Shares to be delivered calculated as of the Termination Date. To the extent the Grant Agreement provides for an election by the Participant for Shares, the Cash Equivalent or a combination thereof, the Participant may, within 10 Business Days following receipt of written notice of termination, deliver a written notice to the Company specifying whether the Participant elects to settle such vested RSUs or SARs, as applicable, for Shares, the Cash Equivalent or a combination thereof, in each case subject to the terms of the applicable Grant Agreement~~, in satisfaction of any such Awards held~~; provided that in the absence of a timely election by the Participant~~.~~, the Board shall determine the form of settlement in its sole and absolute discretion. The settlement amount of any Awards subject to Performance Criteria shall be pro-rated for the time elapsed in the applicable Performance Period up to the Termination Date.

7.6 ~~7.5~~ Dividend Equivalents

When dividends (other than stock dividends) are paid on Shares, Participants who have been granted RSUs or DSUs shall receive additional RSUs or DSUs, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the Participant shall be determined by multiplying the aggregate number of RSUs or DSUs, as applicable, held by the Participant on the relevant record date by the amount of the dividend paid by the Company on each Share, and dividing the result by the Market Value on the dividend payment date. Dividend Equivalents granted to a Participant in accordance with this Section ~~7.4~~7.6 shall be subject to the same vesting conditions applicable to the related RSUs or DSUs, as applicable, in accordance with the respective ~~Award~~Grant Agreement, and shall be settled in the same manner and within the same timeframe as such RSUs or DSUs, as applicable, unless otherwise provided for in the ~~Award~~Grant Agreement.

7.7 ~~7.5~~ Unfunded Plan

Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Company. ~~Notwithstanding the foregoing, any determinations made shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the Income Tax Regulations, adopted under the Tax Act or any successor provision thereto.~~

7.8 ~~7.6~~ Clawback of Awards

Notwithstanding anything else in this Plan, all grants of Awards made to Eligible Participants pursuant to this Plan shall be subject to the Company's Incentive Compensation Clawback Policy.

ARTICLE 8~~ARTICLE 8 —~~
ADJUSTMENTS AND AMENDMENTS

8.1 ~~8.1~~ Adjustment to Shares Subject to Outstanding Awards

(1) ~~(1)~~ In the event of any subdivision of the Shares into a greater number of Shares at any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant, at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof, in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such subdivision if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(2) ~~(2)~~ In the event of any consolidation of Shares into a lesser number of Shares at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall deliver to such Participant at the time of any subsequent exercise or vesting of such Award in accordance with the terms hereof in lieu of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award, but for the same aggregate consideration payable therefor, such number of Shares as such Participant would have held as a result of such ~~consideration~~consolidation if on the record date thereof the Participant had been the registered holder of the number of Shares to which such Participant was theretofore entitled upon such exercise or vesting of such Award.

(3) ~~(3)~~ If, at any time after the grant of an Award to any Participant and prior to the expiration of the term of such Award, the Company shall make a distribution to all holders of Shares by way of a dividend or otherwise of other securities in the capital of the Company, cash, evidences of indebtedness or other assets of the Company (excluding an ordinary course dividend in cash or shares), or should the Company effect any transaction or change having a similar effect, then the price or the number of Shares to which the Participant is entitled upon exercise or vesting of Award shall be adjusted to take into account such distribution, transaction or change. The Board shall determine the appropriate adjustments to be made in such circumstances in order to maintain the Participants' economic rights in respect of their Awards in connection with such distribution, transaction or change.

8.2 ~~8.2~~ **Amendment or Discontinuation of the Plan**

(1) ~~(1)~~ The Board may, in its sole and absolute discretion, ~~may~~ suspend or terminate the Plan at any time or from time to time and/or amend or revise the terms of the Plan or any Award at any time and any agreement relating thereto, provided that such suspension, termination, amendment, or revision shall:~~:~~

(a) not materially adversely alter or impair any Award previously granted except as permitted by the terms of the Plan or upon the consent of the applicable Participant(s);

(b) be subject to any regulatory approvals including, where required, the approval of the TSX; and

(c) be subject to shareholder approval, where required by law or the requirements of the TSX, provided that shareholder approval shall not be required for the following amendments to the Plan or an Award, as applicable, and the Board may from time to time make any changes which may include but are not limited to:

(i) any amendment of a "housekeeping" nature, including without limitation those made to clarify the meaning of an existing provision of the Plan or any agreement, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan or any agreement, correct any grammatical or typographical errors or amend the definitions in the Plan;

(ii) a change to the vesting provisions of the Plan or any Award;

(iii) a change to accelerate the date on which any Award may be exercised under the Plan;

(iv) a change to the provisions governing the effect of termination of a Participant's employment, contract or office;

(v) ~~(iv)~~ an amendment of the Plan or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the securities of the Company are then listed or any other regulatory body having authority over the Company, the Plan, the Participants or the shareholders of the Company; ~~or~~

(vi) ~~(v)~~ any amendment regarding the administration of the Plan~~.~~; or

(vii) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSX or any other stock exchange on which the Shares are traded.

(2) ~~(2)~~ Notwithstanding Section ~~8.2(1)(c)~~8.2(1)(c), shareholder approval is required for the following amendments to the Plan:

(a) any ~~change~~increase to the maximum number of Shares issuable from treasury pursuant to Awards under the Plan, except in the event of an adjustment pursuant to Section ~~8.1~~8.1;

(b) (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to Section ~~8.1~~8.1; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Section ~~8.1~~8.1;

(c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date, except in case of an extension due to a ~~Black-Out~~Black-Out Period;

(d) any amendment which would extend the term of an Option to allow for a maximum term beyond that set out in ~~subsection 3.4~~Section 3.4;

(e) any amendment which expands the authority of the Board to permit assignability of Awards other than ~~for normal estate settlement purposes~~as set forth under Section 7.1(4) of the Plan;

(f) adds to the categories of Eligible Participants who may be designated for participation in the Plan beyond those included in the definition of Eligible Participant, including but not limited to, any amendments to the categories of Eligible Participants that permit the introduction or re-introduction of ~~non-employee directors~~Non-Employee Directors on a discretionary basis or amendments that increases limits imposed on ~~non-employee director~~Non-Employee Director participation under the Plan;

(g) removes or increases the Insider participation limit set forth under Section 2.5 of the Plan; or

(h) any amendment to ~~the amendment provisions~~Sections 8.2(1)(c) and 8.2(2) of the Plan~~,~~.

~~(3) Any amendment or termination shall not materially and adversely alter the terms or conditions of any Award or materially and adversely impair any right of any Participant under any Award granted prior to the date of any such amendment or termination without the consent of such Participant.~~

(3) ~~(4)~~ Notwithstanding anything contained to the contrary in the Plan, in a Grant Agreement contemplated herein, but subject to any specific provisions contained in any Employment Agreements, in the event of a Change of Control, a reorganization of the Company, an amalgamation of the Company, an arrangement involving the Company, a take-over bid (as that term is defined in the *Securities Act* (Ontario)) for all of the Shares or the sale or disposition of all or substantially all of the property and assets of the Company, the Board may make such provision for the protection of the rights of the Participants as the Board in its sole and absolute discretion considers appropriate in the circumstances, including, without limitation, changing the Performance Criteria and/or other vesting conditions for the Awards and/or the date on which any Award expires or the Restriction Period, the Performance Period, the Performance Criteria and/or other vesting conditions for the Awards.

(4) ~~(5)~~ ~~The Committee~~For greater certainty, the Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the ~~Committee~~Board.

(5) ~~(6)~~ The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan~~.~~ and the

provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of discontinuance will continue in effect as long as any Award or any rights awarded or granted under the Plan remain outstanding and, notwithstanding the discontinuance of the Plan, the Board will have the ability to make such amendments to the Plan or the Awards as they would have been entitled to make if the Plan were still in effect.

ARTICLE 9~~ARTICLE 9 -~~
MISCELLANEOUS

9.1 ~~9.1~~ Use of an Administrative Agent and Trustee

The Board may in its sole and absolute discretion appoint from time to time one or more entities to act as administrative agent to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole and absolute discretion. The Company and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

9.2 ~~9.2~~ Tax Withholding

(1) ~~(1)~~ Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied ~~by (a) having~~in such manner as the Board deems appropriate including by (a) allowing the Participant ~~elect~~ to have the appropriate number of such Shares sold by the Company, the Company's transfer agent and registrar or any trustee appointed by the Company pursuant to Section ~~9.1~~9.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Company, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules. Notwithstanding any other provision of the Plan, the Company shall not be required to issue any Shares or make any payments under this Plan until arrangements satisfactory to the Company have been made for payment of all applicable withholding obligations.

(2) ~~(2)~~ The sale of Shares by the Company, or by a Broker, under Section ~~9.2(1)~~9.2(1) or under any other provision of this Plan will be made on the TSX. The Participant consents to such sale and grants to the Company an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that: (~~i~~a) the number of Shares sold will be, at a minimum, sufficient to fund the withholding obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (~~ii~~b) in effecting the sale of any such Shares, the Company or the Broker will exercise its sole judgment as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price; and (~~iii~~c) neither the Company nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sale(s) or any delay in transferring any Shares to a Participant or otherwise.

~~(3) Notwithstanding the first paragraph of this Section 9.2, the applicable tax withholdings may be waived where the Participant directs in writing that a payment be made directly to the~~

~~Participant's registered retirement savings plan in circumstances to which regulation 100(3) of the regulations of the Tax Act apply.~~

9.3 Compliance and Award Restrictions

(1) The Company's obligation to issue and deliver Shares under any Award is subject to: (a) the completion of such approvals, registration or other qualification of such Shares or obtaining approval from the TSX or any other regulatory body having jurisdiction over the Company as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (b) the admission of such Shares to listing on any stock exchange upon which the securities of the Company are then listed; and (c) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on any stock exchange on which such Shares are then listed.

(2) Any Award granted under the Plan shall be subject to the requirement that the Company has the right to place any restriction or legend on any securities issued pursuant to this Plan.

(3) The Participant agrees to fully cooperate with the Company in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance by the Company with such laws, rule and requirements, including all tax withholding and remittance obligations.

(4) No Awards will be granted, and no Shares issued under this Plan, where such grant, issue or sale is restricted pursuant to the terms of the Company's Confidentiality of Material Information and Restrictions on Trading Securities Policy or any other trading policies or other restrictions imposed by the Company.

(5) The Company is not obliged by any provision of the Plan or the grant of any Award under the Plan to issue or sell Shares if, in the sole and absolute discretion of the Board, such action would constitute a violation by the Company or a Participant of any laws, rules and regulations or any condition of such approvals.

(6) At the time a Participant ceases to hold Awards which are or may become exercisable, the Participant ceases to be a Participant.

9.4 ~~9.3~~ Reorganization of the Company

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

9.5 ~~9.4~~ Personal Information

Each Participant shall provide the Company and the Board with all information they require in order to administer the Plan. The Company and the Board may from time to time transfer or provide access to such information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing such services to the Company. By participating in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section ~~9.4~~9.5, the Company and the Board shall not disclose the personal information of a Participant except: (~~i~~a) in response to regulatory filings or other requirements for the information by a governmental authority with jurisdiction over the Company; (~~ii~~b) for the purpose of complying with a subpoena, warrant or other order by a court, ~~person~~Person or body having jurisdiction to compel production of the information; or (~~iii~~c) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Company or its Affiliates including through an ~~as set~~asset or share sale, or some other form of business combination, merger or joint venture, provided that such party is bound by appropriate agreements or obligations.

9.6 ~~9.5~~ No Financial Assistance

The Company shall not provide any form of financial assistance to Participants for the purposes of settling or exercising any Awards issued or granted pursuant to the Plan.

9.7 ~~9.6~~ Governing Laws

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9.8 ~~9.6~~ Severability

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

9.9 ~~9.7~~ Currency

Unless otherwise specifically provided, all references to dollars or $ in the Plan are references to Canadian dollars.

9.10 Effective Date of the Plan

The Plan has been effective as of May 28, 2021, as most recently amended on June 17, 2026.

ADDENDUM FOR U.S. PARTICIPANTS

NEO PERFORMANCE MATERIALS INC. OMNIBUS LONG-TERM INCENTIVE PLAN

The provisions of this Addendum apply to Awards held by a U.S. Participant. All capitalized terms used in this Addendum but not defined in Section 1 below have the meanings attributed to them in the Plan. The Section references set forth below match the Section references in the Plan. This Addendum shall have no other effect on any other terms and provisions of the Plan except as set forth below.

1. **Definitions.**

"**Separation from Service**" means, with respect to a U.S. Participant, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h).

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

2. Section ~~4.4~~4.2 is deleted in its entirety and replaced with the following:

"The Board will determine, once each calendar year, whether a Non-Employee Director's annual retainer or a portion thereof will be paid in the form of DSUs, with the balance being paid in cash and any such election shall be deemed to remain effective for each subsequent calendar year until the Board affirmatively acts to adjust such election; provided, that, to the extent required under Code Section 409A, any such election shall only be effective for compensation to be earned for services to be performed in the calendar year following the year in which the election is made."

3. Section 4.4 is deleted in its entirety and replaced with the following:

(1) "Each Non-Employee Director shall have one-hundred percent of his or her DSUs redeemed on the earlier to occur of (x) the date that is the 60th day following a Termination Date and (y) the occurrence of a Change of Control (such earlier date, the "**DSU Redemption Date**"). For the avoidance of doubt, in the event of death of a Non-Employee Director, the DSU Redemption Date shall be the 60th day following the death of such Non-Employee Director, and the administrator or liquidator of the estate of the Non-Employee Director shall file a Notice of Redemption with the Company on or before such DSU Redemption Date for administrative purposes (including to identify the payee and provide payment instructions); provided, however, that the filing or non-filing of such Notice of Redemption shall not affect the DSU Redemption Date or the calculation of the Cash Equivalent. Settlement of DSUs shall take place promptly following the DSU Redemption Date by delivery of a cheque, bank draft or wire transfer to the Non-Employee Director or, in the case of death, to the estate of the Non-Employee Director, representing the Cash Equivalent.

(2) For greater certainty, where a Non-Employee Director does not provide a Notice of Redemption, settlement of all DSUs credited to the Non-Employee Director's Account shall take place on the DSU Redemption Date as provided above, by delivery of a cheque, bank draft or wire transfer to the Non-Employee Director representing the Cash Equivalent as provided for in Section 4.4(1).

~~(1) Each Participant shall have his or her DSUs redeemed on the 60th day following the Termination Date, in the form set forth in a written Notice of Redemption to the Company. In the event of~~

~~death of a Participant, the Notice of Redemption shall be filed by the administrator or liquidator of the estate of the Participant. The Notice of Redemption must specify an election to receive:~~

~~(a) a cash payment equal to the number of DSUs credited to the Participant's Account as of the Termination Date multiplied by the Market Value on the Termination Date, net of any applicable withholding taxes; or~~

~~(b) a percentage of the DSUs paid out in cash and the remaining percentage of the DSUs paid out as Shares.~~

~~In the event a Notice of Redemption is not provided by a Participant prior to the 45th day following the Termination Date, such Participant will be deemed to have elected to receive a cash payment as provided for in Section 4.4(1)(a). Notwithstanding anything else to the contrary contained herein, in a Notice of Redemption or in any Grant Agreement, the Board may, in its sole and absolute discretion, satisfy any DSU so redeemed in cash, Shares or a combination thereof.~~

(~~2~~3) The Company will make ~~all of~~ the payments described in this Article 4 ~~(referred to hereinafter as the "**Final Payment**") to the Participant or the Broker, as applicable, on the 60th calendar day following the Termination Date~~to the Non-Employee Director on the DSU Redemption Date as provided in as provided for in Section 4.4(1). Upon making such payment to the ~~Participant~~Non-Employee Director, the DSUs upon which such payment was based shall be cancelled and no further payments shall be made from the Plan in relation to such DSUs."

~~3~~4. Section ~~5.5~~5.5 is deleted in its entirety and replaced with the following:

"The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Notwithstanding the foregoing, if the U.S. Participant vests in his or her RSUs pursuant to the Plan, ~~within 30 days following such U.S. Participant's Separation from Service and subject to Section 9.2~~on the RSU Settlement Date, the Company shall: (~~i~~a) issue from treasury the number of Shares that is equal to the number of vested RSUs held by the U.S. Participant ~~as at the U.S. Participant's Separation from Service~~ (rounded down to the nearest whole number), as fully paid and non-assessable Shares~~,~~; (~~ii~~b) deliver to the U.S. Participant an amount in cash (net of the applicable tax withholdings) equal to the number of vested RSUs held by the U.S. Participant ~~as at the U.S. Participant's Separation from Service~~ multiplied by the Market Value as at such date~~,~~; or (~~iii~~c) a combination of (~~i~~a) and (~~ii~~b). Upon settlement of such RSUs, the corresponding number of RSUs shall be cancelled and the U.S. Participant shall have no further rights, title or interest with respect thereto."

~~4~~5. Notwithstanding anything to the contrary in the Plan, in no event will any SARs or Options be exercisable beyond the ~~tenth~~10th anniversary of the date of grant~~ and no DSUs will be granted to a U.S. Participant~~.

~~5~~6. Section ~~5.6~~5.6 is deleted in its entirety and replaced with the following:

"Except as otherwise provided in the RSU Agreement, ~~in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied, all of the~~all vested RSUs ~~covered by a particular grant may,~~shall be settled only on one or more Code Section 409A ~~"~~"permissible payment events~~"~~" or, in the event the RSU Agreement is structured as ~~"~~"short-term deferral~~"~~" under Section 409A, the RSU Agreement must provide for settlement no later than March 15 of the year following the satisfaction of the applicable vesting conditions~~,~~ (which may include any Performance Criteria and Performance Period) (the date for settlement set out in the applicable RSU Agreement, the "**RSU Settlement Date**")."

~~5~~7. **No Acceleration**

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

~~6~~8. **Code Section 409A**

Each grant of Awards to a U.S. Participant is intended to be exempt from or comply with Code Section 409A. ~~However, to~~To the extent any Award is subject to Section 409A, then:

(a) all payments to be made upon or as a result of a U.S. Participant's Termination Date shall only be made upon or as a result of a Separation from Service;

(b) 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 Code 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 Participant under the Plan that are payable due to the U.S. Participant's Separation from Service shall be postponed until the ~~earlier~~later of the originally scheduled date and six months following the U.S. Participant's Separation from Service. The postponed amount shall be paid to the U.S. Participant in a lump sum within 30 days after the ~~earlier~~later of the originally scheduled date and the date that is six months following the U.S. Participant's Separation from Service. If the U.S. Participant dies during such six month period and prior to the payment of the postponed amounts hereunder, the amounts delayed on account of Code Section 409A shall be paid to the U.S. Participant's estate within 60 days following the U.S. Participant's death.

(c) Each Award and each payment under an Award shall be deemed to be a separate payment for purposes of Code Section 409A.

(d) ~~(c)~~ to the ~~extend~~extent a Change of Control is a payment event, then such Change of Control must also be a "change of control event" under Code Section 409A.

The Grant Agreement to any U.S. Participant may contain additional changes or restrictions as necessary to comply with applicable laws, including Code Section 409A. If any provision of the Plan or any Grant Agreement contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole and absolute discretion and without the U.S. Participant's consent, modify such provision to: (~~i~~a) comply with, or avoid being subject to, Code Section 409A, or to avoid incurring taxes, interest and penalties under

Code Section 409A; and (~~ii~~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 Code Section 409A. However, the Company shall have no obligation to modify the Plan or any Grant Agreement and does not guarantee that Awards will not be subject to taxes, interest and penalties under Code Section 409A.

APPENDIX “G”
Second Amended & Restated Shareholder Rights Plan

NEO PERFORMANCE MATERIALS INC.

and

COMPUTERSHARE INVESTOR SERVICES INC.

as Rights Agent

SECOND AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

June 17, 2026

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SECOND AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

THIS AGREEMENT was entered into as of the 20th day of September, 2022, amended and restated as of the 8th day of June, 2023, and further amended and restated as of the 17th day of June, 2026.

BETWEEN:

NEO PERFORMANCE MATERIALS INC., a corporation existing under the laws of Ontario

(the "**Corporation**")

AND:

COMPUTERSHARE INVESTOR SERVICES INC., a trust company existing under the laws of Canada and authorized to carry on the business of a trust company in each of the Provinces and Territories of Canada, as rights agent

(the "**Rights Agent**", which term shall include any successor Rights Agent hereunder)

WHEREAS the Board of Directors of the Corporation determined that it was advisable and in the best interests of the Corporation to adopt and maintain a shareholder rights plan by adopting a shareholder rights plan agreement dated September 20, 2022 (the "**Original Agreement**") in order to ensure, to the extent possible: (i) the fair treatment of shareholders of the Corporation in connection with any Offer to Acquire Voting Shares, including in connection with any "creeping" acquisition of Voting Shares or any other Offer to Acquire Voting Shares that is exempt from the take-over bid regime under NI 62-104; and (ii) that the Board of Directors has the opportunity to identify, solicit, develop and negotiate value-enhancing alternatives, as appropriate, to any unsolicited Offer to Acquire Voting Shares;

WHEREAS the Corporation amended and restated the Original Agreement pursuant to an amended and restated shareholder rights plan agreement dated June 8, 2023 (together with the Original Agreement, the "**First Amended and Restated Agreement**").

WHEREAS the Board of Directors of the Corporation authorized the Corporation to seek the consent and approval of the shareholders of the Corporation to amend and restate the First Amended and Restated Agreement, substantially in the form and on the terms provided for in this Agreement, which consent and approval was obtained by the affirmative vote of a majority of the votes cast by the shareholders of the Corporation (other than such shareholders of the Corporation who did not qualify as Independent Shareholders (as hereinafter defined)) on an ordinary resolution that was duly passed at an annual and special meeting of shareholders of the Corporation held on June 17, 2026;

WHEREAS the Board of Directors of the Corporation has determined that it is advisable and in the best interests of the Corporation to implement an amended and restated shareholder rights plan as contemplated herein and the Board of Directors of the Corporation has authorized the issuance of one Right: (i) effective at the Record Time in respect of each Common Share outstanding at the Record Time; and (ii) in respect of each Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time; and

WHEREAS each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth herein;

WHEREAS the Corporation desires to reappoint the Rights Agent to act on behalf of the Corporation, and the Rights Agent is willing to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates, the exercise of Rights and other matters referred to herein; and

WHEREAS the First Amended and Restated Agreement is hereby amended and restated as provided in this Agreement and confirmed in accordance with the terms hereof;

NOW THEREFORE, in consideration of the foregoing premises and the respective covenants and agreements set forth herein, the parties hereby agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Certain Definitions.

For purposes of this Agreement, the following terms have the meanings indicated:

(a) "**Acquiring Person**" means any Person who is or becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares; provided, however, that the term "**Acquiring Person**" shall not include:

(i) the Corporation or any Subsidiary of the Corporation;

(ii) any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of one or any combination of: (A) a Voting Share Reduction; (B) Permitted Bid Acquisitions; (C) Pro Rata Acquisitions; (D) Exempt Acquisitions; or (E) Convertible Security Acquisitions; provided, however, that if a Person shall become the Beneficial Owner of 20% or more of the then outstanding Voting Shares by reason of one or more or any combination of (A), (B), (C), (D) or (E) above and, while such Person is the Beneficial Owner of 20% or more of the Voting Shares then outstanding, such Person's Beneficial Ownership of Voting Shares thereafter increases by more than 1% or more of the then outstanding Voting Shares (other than pursuant to one or any combination of (A), (B), (C), (D) or (E) above), then as of the date such Person becomes the Beneficial Owner of such additional Voting Shares, such Person shall become an Acquiring Person;

(iii) for a period of 10 days after the Disqualification Date (as hereinafter defined), any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of such Person becoming disqualified from relying on Section 1.1(e)(vi) solely because such Person makes or announces an intention to make a Take-Over Bid, either alone, or by acting jointly or in concert with any other Person. For the purpose of this definition, "**Disqualification Date**" means the first date of public announcement of facts indicating that such Person is making or intends to make a Take-Over Bid, either alone or by acting jointly or in concert with any other Person;

(iv) an underwriter or member of a banking or selling group acting in such capacity that becomes the Beneficial Owner of 20% or more of the Voting Shares from the Corporation in connection with a distribution of securities pursuant to a prospectus or by way of private placement; and

(v) a Grandfathered Person, provided, however, that if after the Record Time such Grandfathered Person becomes the Beneficial Owner (other than pursuant to any one or a combination of a Voting Share Reduction, Permitted Bid Acquisition, Pro Rata Acquisition, Exempt Acquisition or Convertible Security Acquisition) of additional Voting Shares constituting more than 1% of the number of Voting Shares then outstanding, then as of the date and time such Grandfathered Person becomes the Beneficial Owner of such additional Voting Shares, such Grandfathered Person shall become an Acquiring Person.

(b) "**Affiliate**" when used to indicate a relationship with a specified Person, means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person.

(c) "**Agreement**" means this agreement as amended, modified or supplemented from time to time.

(d) "**Associate**" when used to indicate a relationship with a specified Person, means (i) a spouse of such specified Person, (ii) any Person of the same or opposite sex with whom such specified Person is living in a conjugal relationship outside marriage, or (iii) a relative of such specified Person or of a Person mentioned in clause (i) or (ii) of this definition if that relative has the same residence as the specified Person.

(e) A Person shall be deemed the "**Beneficial Owner**" of, and to have "**Beneficial Ownership**" of, and to "**Beneficially Own**":

(i) any securities of which such Person or any Affiliate or Associate of such Person is the beneficial owner at law or in equity, directly or indirectly;

(ii) any securities as to which such Person or any Affiliate or Associate of such Person has the right or the obligation to acquire or become the owner at law or in equity, upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrants or options or pursuant to any agreement, arrangement, pledge or understanding, whether or not in writing (in each case where such right is exercisable immediately or within 60 days of the date of determination of Beneficial Ownership, and whether or not upon conditions or subject to the occurrence of a contingency), other than pursuant to any:

(A) customary agreements with and between the Corporation and underwriters and banking or selling group members with respect to a distribution of securities by prospectus or private placement or otherwise;

(B) pledges of securities in the ordinary course of business of the pledgee's business; or

(C) agreements between the Corporation and any Person pursuant to an amalgamation, merger, arrangement, business combination or other similar transaction (statutory or otherwise, but for greater certainty not including a Take-over Bid) that is conditional upon the approval of the shareholders of the Corporation to be obtained prior to such Person acquiring such securities;

(iii) any securities which are subject to a lock-up or similar agreement to tender or deposit them into any Take-Over Bid made by such Person or made by any Affiliate or Associate of such Person or made by any other person acting jointly or in concert with such Person; or

(iv) any securities that are Beneficially Owned within the meaning of the foregoing provisions of subsections Section 1.1(e)(i), Section 1.1(e)(ii) or Section 1.1(e)(iii) above by any other Person with whom such Person is acting jointly or in concert;

provided, however, that a Person shall not be deemed the "**Beneficial Owner**" of, or to have "**Beneficial Ownership**" of, or to "**Beneficially Own**", any security solely by reason of any one or more of the following circumstances:

(v) such security has been agreed to be deposited or tendered pursuant to a Permitted Lock-Up Agreement or is otherwise deposited or tendered pursuant to any Take-Over Bid made by such Person, made by any of such Person's Affiliates or Associates or made by any other Person acting jointly or in concert with such Person, but only until such time as such deposited or tendered security has been taken up or paid for, whichever shall occur first;

(vi) such Person, for greater certainty holding such security in the ordinary course of such Person's business, holds such security, provided that:

(A) the ordinary business of that Person (an "**Investment Manager**") includes the management of pension or mutual or investment funds for others (which others, for greater certainty, may include or be limited to one or more employee benefit plans or pension plans) and such security is held by the Investment Manager in the ordinary course of such business in the performance of such Investment Manager's duties for the account of any other Person (a "**Client**") including non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable laws;

(B) such Person (the "**Trust Company**") is licensed to carry on the business of a trust company under applicable law and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each, an "**Estate Account**") or in relation to other accounts (each, an "**Other Account**") and holds such security in the ordinary course of such duties for such Estate Accounts or for such Other Accounts;

(C) such Person (the "**Statutory Body**") is an independent Person established by statute for purposes that include, and the ordinary business or activity of such Person includes, the management of investment funds for employee benefit plans, pension plans, insurance plans of various public bodies and the Statutory Body holds such security for the purposes of its activities as such; or

(D) such Person (the "**Plan Administrator**") is the administrator or the trustee of one or more pension funds or plans registered under the laws of Canada or any province thereof or the United States or any state thereof (each, a "**Plan**"), or is a Plan;

provided, however, that in any of the foregoing cases, the Investment Manager, the Trust Company, the Statutory Body, the Plan Administrator or a Plan, as the case may be, is not then making or has not announced an intention to make, a Take-Over Bid, or is not then acting jointly or in concert with any other Person who is making a Take-Over Bid or who has announced an intention to make a Take-Over Bid, other than an Offer to Acquire Voting Shares or other securities of the Corporation (X) by means of a Permitted Bid or a Competing Permitted Bid, or (Y) by means of ordinary market transactions made in the ordinary course of business of such Person (including pre-arranged trades entered into in the ordinary course of business of such Person) executed through the facilities of a stock exchange, securities quotation system or an organized over-the-counter market;

(vii) such Person is (A) a Client of the same Investment Manager as another Person on whose account the Investment Manager holds such security, (B) an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security or (C) a Plan with the same administrator as another Plan on whose account the Administrator holds such security; or

(viii) such Person is (A) a Client of an Investment Manager and such security is owned at law or in equity by the Investment Manager, (B) an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company or (C) a Plan and such security is owned at law or in equity by the Administrator of the Plan; or

(ix) such Person is a registered holder of securities as a result of carrying on the business of, or acting as a nominee of, a securities depository.

(f) "**Board of Directors**" means, at any time, the duly constituted board of directors of the Corporation or, if duly constituted and whenever duly empowered, any committee of the board of directors of the Corporation.

(g) "**Business Day**" means any day other than a Saturday, Sunday or a day on which banking institutions in Toronto, Ontario are authorized or obligated by law to close.

(h) "**Canadian Dollar Equivalent**" of any amount which is expressed in United States dollars shall mean on any date the Canadian dollar equivalent of such amount determined by reference to the U.S.-Canadian Exchange Rate in effect on such date.

(i) "**close of business**" on any given date means the time on such date (or, if such date is not a Business Day, the time on the next succeeding Business Day) at which the office of the transfer agent for the Common Shares in the City of Toronto (or, after the Separation Time, the office of the Rights Agent in the City of Toronto) is closed to the public in the city in which such transfer agent or Rights Agent has an office for the purposes of this Agreement; provided, however, that for the purposes of the definitions of "**Competing Permitted Bid**" and "**Permitted Bid**", "**close of business**" on any day means 11:59 p.m. (local time at the place of deposit) on such day (or, if such day is not a Business Day, 11:59 p.m. (local time at the place of deposit) on the next succeeding Business Day).

(j) "**Common Shares**", when used with reference to the Corporation, means the common shares in the capital of the Corporation as constituted on the Effective Date and any other share of the Corporation into which such common share may be subdivided, consolidated, reclassified or changed.

(k) "**Competing Permitted Bid**" means a Take-Over Bid that is made by means of a take-over bid circular and which also complies with the following additional provisions:

(i) is made after a Permitted Bid or another Competing Permitted Bid (each such Permitted Bid or Competing Permitted Bid being in this definition, the "**Prior Bid**") has been made and prior to the expiry, termination or withdrawal of such Prior Bid;

(ii) satisfies all the components of the definition of a Permitted Bid provided that it is not required to satisfy the requirement set forth in subsection (ii)(A) thereof; and

(iii) contains, and the take up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares shall be taken up or paid for pursuant to such Take-Over Bid prior to the close of business on the last day of the minimum initial deposit period that such Take-Over Bid must remain open for deposits of securities thereunder pursuant to NI 62-104 after the date of the Take-Over Bid constituting the Competing Permitted Bid;

provided, however, that a Competing Permitted Bid will cease to be a Competing Permitted Bid at any time when such bid ceases to meet any of the requirements of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such Competing Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition.

(l) "**controlled**": a Person is "controlled" by another Person or two or more Persons acting jointly or in concert if:

(i) in the case of a body corporate, securities entitled to vote in the election of directors of such body corporate carrying more than 50% of the votes for the election of the directors are held, directly or indirectly, by or for the benefit of the other Person or Persons and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of such corporation; or

(ii) in the case of a Person which is not a body corporate, more than 50% of the voting interests of such entity are held, directly or indirectly, by or for the benefit of the other Person or Persons;

and "**controls**", "**controlling**" and "**under common control with**" shall be interpreted accordingly.

(m) "**Convertible Security**" means at any time:

(i) any right (regardless of whether such right constitutes a security) to acquire Voting Shares from the Corporation; and

(ii) any securities issued by the Corporation from time to time (other than the Rights) carrying any exercise, conversion or exchange right;

in each case pursuant to which the holder thereof may acquire Voting Shares or other securities which are convertible into or exercisable or exchangeable for Voting Shares (whether such right is exercisable immediately or exercisable after a specified period and whether or not on condition or the happening of any contingency).

(n) "**Convertible Security Acquisition**" means the acquisition of Voting Shares by a Person upon the purchase, exercise, conversion or exchange of Convertible Securities acquired or received by such Person pursuant to a Permitted Bid Acquisition, an Exempt Acquisition or a Pro Rata Acquisition.

(o) "**Disposition Date**" has the meaning ascribed thereto in Section 5.1(d).

(p) "**Disqualification Date**" has the meaning ascribed thereto in Section 1.1(a)(iii).

(q) "**Dividend Reinvestment Plan**" means a regular dividend reinvestment or other plan of the Corporation made available by the Corporation to holders of its Voting Shares where such plan permits the holder to direct that some or all of:

(i) dividends paid in respect of Voting Shares;

(ii) proceeds of redemption of Voting Shares;

(iii) interest paid on evidences of indebtedness of the Corporation; or

(iv) optional cash payments;

be applied to the purchase from the Corporation of Voting Shares;

(r) "**Effective Date**" has the meaning ascribed thereto in Section 5.13.

(s) "**Election to Exercise**" has the meaning ascribed thereto in Section 2.2(d).

(t) "**Exempt Acquisition**" means an acquisition of Voting Shares or Convertible Securities:

(i) in respect of which the Board of Directors has waived the application of Section 3.1 hereof pursuant to the provisions of Section 5.1 hereof;

(ii) pursuant to a Dividend Reinvestment Plan;

(iii) made as an intermediate step in a series of related transactions in connection with an acquisition by the Corporation or its Subsidiaries of a Person or assets, provided that the Person who acquires such securities distributes or is deemed to distribute such securities to its security holders within 10 Business Days of the completion of such acquisition, and following such distribution no Person has become the Beneficial Owner of 20% or more of the Corporation's then-outstanding Common Shares;

(iv) pursuant to a distribution to the public by the Corporation of Voting Shares or Convertible Securities made pursuant to a prospectus provided that the Person in question does not thereby acquire a greater percentage of Voting Shares or Convertible Securities representing the right to acquire Voting Shares than the percentage of Voting Shares such Person Beneficially Owned immediately prior to such acquisition;

(v) pursuant to an issuance and sale by the Corporation of Voting Shares or Convertible Securities by way of a private placement by the Corporation, provided that: (A) all necessary stock exchange approvals for such private placement have been obtained and such private placement complies with the terms and conditions of such approvals; and (B) such Person does not become the Beneficial Owner of Voting Shares representing more than twenty-five percent (25%) of the Voting Shares outstanding immediately prior to such private placement, and, in making this determination, the Voting Shares to be issued to such Person in such private placement will be deemed to be held by such Person but will not be included in the aggregate number of Voting Shares outstanding immediately prior to such private placement; or

(vi) pursuant to an amalgamation, merger, arrangement, business combination or other similar transaction (statutory or otherwise, but for greater certainty not including a Take-Over Bid) requiring approval by shareholders of the Corporation.

(u) "**Exercise Price**" means, as of any date, the price at which a holder of a Right may purchase the securities issuable upon exercise of one whole Right which, until adjustment thereof in accordance with the terms hereof, the Exercise Price shall be:

(i) until the Separation Time, an amount equal to five times the Market Price, from time to time, per Voting Share; and

(ii) from and after Separation Time, an amount equal to five times the Market Price, as at the Separation Time, per Voting Share.

(v) "**Expiration Time**" means the close of business on that date that is the earliest of (i) the Termination Time, and (ii) the date of termination of this Agreement pursuant to Section 5.13 or, if this Agreement is confirmed pursuant to Section 5.13, the close of business on the third anniversary of the date hereof.

(w) "**First Amended and Restated Agreement**" has the meaning ascribed thereto in the recitals of this Agreement.

(x) "**Flip-In Event**" means a transaction or event in or pursuant to which any Person becomes an Acquiring Person.

(y) "**Grandfathered Person**" means any Person who is the Beneficial Owner of 20% or more of the then outstanding Voting Shares as determined at the Record Time; provided, however, that for the purposes of this definition a Person shall cease to be a Grandfathered Person in the event that such Person shall, after the Record Time, cease to Beneficially Own 20% or more of the then outstanding Voting Shares.

(z) "**Independent Shareholders**" means holders of then outstanding Voting Shares, but shall not include:

(i) any Acquiring Person;

(ii) any Offeror, other than a Person referred to in Section 1.1(e)(vi);

(iii) any Affiliate or Associate of such Acquiring Person or Offeror;

(iv) any Person acting jointly or in concert with such Acquiring Person or Offeror; or

(v) any employee benefit plan, share purchase plan, deferred profit sharing plan or other similar plan or trust for the benefit of employees of the Corporation or a Subsidiary of the Corporation (unless the beneficiaries of such plan or trust direct the manner in which such Voting Shares are to be voted or direct whether the Voting Shares are to be deposited or tendered to a Take-Over Bid, in which case such plan or trust shall be considered to be an Independent Shareholder).

(aa) "**Lock-Up Bid**" has the meaning ascribed thereto in Section 1.1(ll).

(bb) "**Locked-Up Person**" has the meaning ascribed thereto in Section 1.1(ll).

(cc) "**Market Price**" per security of any securities on any date of determination shall mean the average of the daily closing prices per security of such securities (determined as described below) on each of the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date; provided, however, that if an event of a type analogous to any of the events described in Section 2.3 shall have caused the closing prices used to determine the Market Price on any Trading Day not to be fully comparable with the closing price on such date of determination (or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day), each such closing price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 in order to make it fully comparable with the closing price on such date of determination (or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day). The closing price per security of any securities on any date shall be:

(i) the closing board lot sale price or, if such price is not available, the average of the closing bid and asked prices, for each of such securities as reported by the principal stock exchange or national securities quotation system on which such securities are listed or admitted to trading (provided that, if at the date of determination such securities are listed or admitted to trading on more than one stock exchange or national securities quotation system, then such price or prices shall be determined based upon the stock exchange or quotation system on which such securities are then listed or admitted to trading on which the largest number of such securities were traded during the most recently completed calendar year);

(ii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system, then the last sale price, or in case no sale takes place on such date, the average of the high bid and low asked prices for each such securities in the over-the-counter market, as quoted by any reporting system then in use; or

(iii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system or quoted by any such reporting system, then the average of the closing bid and asked prices as furnished by a professional market maker making a market in the securities selected in good faith by the Board of Directors;

provided, however, that: (A) if for any reason none of such prices are available on such date, then the "**closing price per security**" of such securities on such date shall mean the fair value per security of the securities on such date as determined by a nationally or internationally recognized investment dealer or investment banker selected by the Board of Directors with respect to the fair value per security of such securities; and (B) if the closing price per security so determined is expressed in United States dollars, then such amount shall be converted to the Canadian Dollar Equivalent.

(dd) "**NI 62-104**" means National Instrument 62-104 – Take-Over Bids and Issuer Bids.

(ee) "**OBCA**" shall mean the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended and the regulations thereunder, as from time to time in effect.

(ff) "**Offer to Acquire**" shall include:

(i) an offer to purchase or a solicitation of an offer to sell, or a public announcement of an intention to make such an offer or solicitation; and

(ii) an acceptance of an offer to sell, whether or not such offer to sell has been solicited;

or any combination thereof, and the Person accepting an offer to sell shall be deemed to be making an Offer to Acquire to the Person that made the offer to sell.

(gg) "**Offeror**" means a Person who has announced an intention to make, or who is making, a Take-Over Bid, but excluding that Person if the Take-Over Bid so announced or made by that Person has been withdrawn, has terminated or has expired.

(hh) "**Offeror's Securities**" means the aggregate of the Voting Shares Beneficially Owned by an Offeror on the date of the Offer to Acquire.

(ii) "**Original Agreement**" has the meaning ascribed thereto in the recitals to this Agreement.

(jj) "**Permitted Bid**" means a Take-Over Bid made by a Person by means of a take-over bid circular and which also complies with the following additional provisions:

(i) the Take-Over Bid is made to all holders of Voting Shares (other than the Offeror and its Affiliates);

(ii) the Take-Over Bid contains, and the take-up and payment for securities tendered or deposited thereunder are subject to, an irrevocable and unqualified condition that no securities shall be taken up or paid for pursuant to the Take-Over Bid:

(A) prior to the close of business on the date which is not less than one hundred and five (105) days following the date of the Take-Over Bid or such shorter minimum period as determined in accordance with section 2.28.2 or section 2.28.3 of NI 62-104 for which a Take-Over Bid (that is not exempt from any of the requirements of division 5 (Bid Mechanics) of NI 62-104) must remain open for deposit of securities thereunder; and

(B) unless, at the close of business on such date in (A), more than 50% of the then outstanding Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-Over Bid and have not been withdrawn;

(iii) the Take-Over Bid contains an irrevocable and unqualified provision that securities may be deposited pursuant to such Take-Over Bid at any time during the period of time described in Section 1.1(jj)(ii)(A) above and during any extension of such Take-Over Bid and any securities deposited pursuant to the Take-Over Bid may be withdrawn until taken up and paid for; and

(iv) the Take-Over Bid contains an irrevocable and unqualified provision that if the requirement set forth in Section 1.1(jj)(ii)(B) is satisfied and such securities are taken up by the Offeror, the Offeror will make a public announcement of that fact and the Take-Over Bid will remain open for deposits and tenders of Voting Shares for not less than 10 days from the date of such public announcement;

provided, however, that a Take-Over Bid that qualified as a Permitted Bid ceases to be a Permitted Bid at any time and as soon as such time when such Take-Over Bid ceases to meet any or all of the provisions of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition.

(kk) "**Permitted Bid Acquisitions**" means an acquisition of Voting Shares made pursuant to a Permitted Bid or a Competing Permitted Bid.

(ll) "**Permitted Lock-Up Agreement**" means an agreement (the "**Lock-Up Agreement**") between a Person and one or more holders of Voting Shares and/or Convertible Securities (each a "**Locked-Up Person**") pursuant to which such Locked-Up Person agrees to deposit or tender Voting Shares and/or Convertible Securities to a Take-Over Bid (the "**Lock-Up Bid**") made or to be made by such Person, any of such Person's Affiliates or Associates or any other Person referred to in Section 1.1(e)(iv); provided that:

(i) the terms of such Lock-Up Agreement are publicly disclosed and a copy is made available to the public (including the Corporation) not later than the date of the Lock-Up Bid or, if the Lock-Up Bid has been made prior to the date on which such Lock-Up Agreement is entered into, not later than the date of such Lock-Up Agreement (or, if the agreement was entered into after the date of the Lock-Up Bid, as soon as possible after it is entered into and in any event not later than the date following the date of such agreement);

(ii) the Lock-Up Agreement permits such Locked-Up Person to terminate its obligation to deposit or tender to or not to withdraw Voting Shares and/or Convertible Securities from the Lock-Up Bid, and to terminate any obligation with respect to the voting of such securities, in order to deposit or tender such securities to another Take-Over Bid or to support another transaction:

(A) where the price or value of the consideration per Voting Share or Convertible Security offered under such other Take-Over Bid or transaction:

(X) exceeds the price or value of the consideration per Voting Share and/or Convertible Security offered under the Lock-Up Bid; or

(Y) exceeds by as much as or more than a specified amount (the "**Specified Amount**") the price or value of the consideration per Voting Share or Convertible Security at which the Locked-Up Person has agreed to deposit or tender Voting Shares and/or Convertible Securities to the Lock-Up Bid, provided that such Specified Amount is not greater than 7% of the price or value of the consideration per Voting Share or Convertible Security offered under the Lock-Up Bid; and

(B) if the number of Voting Shares or Convertible Securities offered to be purchased under the Lock-Up Bid is less than 100% of the Voting Shares or Convertible Securities held by Independent Shareholders, where the price or value of the consideration per Voting Share or Convertible Security offered under such other Take-Over Bid or transaction is not less than the price or value of the consideration per Voting Share or Convertible Security offered under the Lock-Up Bid and the number of Voting Shares and/or Convertible Securities to be purchased under such other Take-Over Bid or transaction:

(X) exceeds the number of Voting Shares and/or Convertible Securities that the Offeror has offered to purchase under the Lock-Up Bid; or

(Y) exceeds by as much as or more than a specified number (the "**Specified Number**") the number of Voting Shares or Convertible Securities that the Offeror has offered to purchase under the Lock-Up Bid, provided that the Specified Number is not greater than 7% of the number of Voting Shares or Convertible Securities offered to be purchased under the Lock- Up Bid;

and for greater certainty, such Lock-Up Agreement may contain a right of first refusal or require a period of delay to give the Offeror under the Lock-Up Bid an opportunity to match the higher price, value or number in such other Take-Over Bid or transaction, or other similar limitation on a Locked-Up Person's right to withdraw Voting Shares from the Lock-Up Agreement, so long as the limitation does not preclude the exercise by the Locked-Up Person of the right to withdraw Voting Shares and/or Convertible Securities in sufficient time to deposit or tender to the other Take-Over Bid or support the other transaction; and

(iii) no "**break-up**" fees, "**top-up**" fees, penalties, expenses or other amounts that exceed in the aggregate the greater of:

(A) the cash equivalent of 2.5% of the price or value of the consideration payable under the Lock-Up Bid to a Locked-Up Person; and

(B) 50% of the amount by which the price or value of the consideration payable under another Take-Over Bid or other transaction to a Locked-Up Person exceeds the price or value of the consideration that such Locked-Up Person would have received under the Lock-Up Bid;

shall be payable by a Locked-Up Person pursuant to the Lock-Up Agreement in the event that the Locked-Up Bid is not successfully concluded or if any Locked-Up Person fails to deposit or tender Voting Shares and/or Convertible Securities to the Lock-Up Bid or withdraws Voting Shares and/or Convertible Securities previously deposited or tendered thereto in order to deposit or tender to another Take-Over Bid or support another transaction.

(mm) "**Person**" shall include any individual, firm, partnership, limited partnership, limited liability company or partnership, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning.

(nn) "**Privacy Laws**" has the meaning ascribed thereto in Section 4.6;

(oo) "**Pro Rata Acquisition**" means the acquisition of Voting Shares pursuant to:

(i) a stock dividend, a stock split or other event pursuant to which such Person receives or acquires Voting Shares and/or Convertible Securities on the same pro rata basis as all other holders of Voting Shares and/or Convertible Securities of the same class or series (other than holders resident in a jurisdiction where a distribution is restricted or impracticable as a result of applicable law); or

(ii) any other event pursuant to which all holders of Voting Shares and/or Convertible Securities (other than holders resident in a jurisdiction where a distribution is restricted or impracticable as a result of applicable law) are entitled to receive Voting Shares and/or Convertible Securities on the same pro rata basis as all other holders of Voting Shares and/or Convertible Securities of the same class or series, including pursuant to the receipt and/or exercise of rights (other than the Rights) issued by the Corporation and distributed to all holders of a series or class of Voting Shares and/or Convertible Securities to subscribe for or purchase Voting Shares and/or Convertible Securities of the Corporation on a pro rata basis, provided that such rights are acquired directly from the Corporation and not from any other Person; and further provided that such Person does not thereby become the Beneficial Owner of a greater percentage of Voting Shares than the percentage of Voting Shares Beneficially Owned by such Person immediately prior to such acquisition.

(pp) "**Record Time**" means 5:00 p.m. (Toronto time) on June 17, 2026.

(qq) "**Redemption Price**" has the meaning ascribed thereto in Section 5.1.

(rr) "**regular periodic cash dividends**" means cash dividends paid at regular intervals in any fiscal year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greater of:

(i) 100% of the aggregate consolidated net income of the Corporation, before extraordinary items, for its immediately preceding fiscal year;

(ii) 200% of the aggregate amount of cash dividends declared payable by the Corporation on its Common Shares in its immediately preceding fiscal year; and

(iii) 300% of the arithmetic mean of the aggregate amounts of cash dividends declared payable by the Corporation on its Common Shares in its three immediately preceding fiscal years divided by the arithmetic mean of the number of Common Shares outstanding as at the end of each of such fiscal years.

(ss) "**Right**" means a right issued pursuant to this Agreement.

(tt) "**Rights Certificate**" has the meaning ascribed thereto in Section 2.2(c).

(uu) "**Rights Register**" has the meaning ascribed thereto in Section 2.6(a).

(vv) "**Securities Act**" means the *Securities Act* (Ontario), as amended, and the regulations and rules made thereunder, as from time to time in effect.

(ww) "**Separation Time**" means the close of business on the 10th Trading Day after the earlier of:

(i) the Stock Acquisition Date;

(ii) the date of the commencement of, or first public announcement or disclosure of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a Take-Over Bid (other than a Permitted Bid or Competing Permitted Bid so long as such Take-Over Bid continues to satisfy the requirements of a Permitted Bid or Competing Permitted Bid); and

(iii) the date on which a Permitted Bid or Competing Permitted Bid ceases to be a Permitted Bid or Competing Permitted Bid, as applicable;

or, in each case, such later date as may be determined by the Board of Directors; provided that, if any Take-Over Bid referred to in subsection (ii) of this Section 1.1(ww) or any Permitted Bid or Competing Permitted Bid referred to in subsection (iii) of this Section 1.1(ww) expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such Take-Over Bid, Permitted Bid or Competing Permitted Bid, as the case may be, shall be deemed, for the purposes of this Section 1.1(ww), never to have been made and provided further that if the Board of Directors determines pursuant to Section 5.1 to waive the application of Section 3.1 to a Flip-In Event, the Separation Time in respect of such Flip-In Event shall be deemed never to have occurred.

(xx) "**Specified Amount**" has the meaning ascribed thereto in Section 1.1(ll).

(yy) "**Specified Number**" has the meaning ascribed thereto in Section 1.1(ll).

(zz) "**Stock Acquisition Date**" means the first date of public announcement or disclosure by the Corporation or an Acquiring Person or Offeror of facts indicating that a Person has become an Acquiring Person, which, for the purposes of this definition, shall include, without limitation, a report filed pursuant to Part 5 of NI 62-104, an early warning report filed pursuant to the Securities Act or, if applicable, a report filed pursuant to Section 13(d) under the Securities Exchange Act of 1934 of the United States, or a report filed pursuant to other applicable laws, announcing or disclosing such information.

(aaa) "**Subsidiary**": a Person shall be deemed to be a Subsidiary of another Person if:

(i) it is controlled by:

(A) that other;

(B) that other and one or more Persons each of which is controlled by that other; or

(C) two or more Persons each of which is controlled by that other; or

(ii) it is a Subsidiary of a Person that is that other's Subsidiary.

(bbb) "**Take-Over Bid**" means an Offer to Acquire Voting Shares or Convertible Securities (or both) where the securities subject to the Offer to Acquire, together with the Voting Shares into or for which the securities subject to the Offer to Acquire are convertible, exchangeable or exercisable, together with the Offeror's Securities, constitute in the aggregate 20% or more of the outstanding Voting Shares at the date of the Offer to Acquire.

(ccc) "**Termination Time**" means the time at which the right to exercise Rights shall terminate pursuant to Section 5.1.

(ddd) "**Trading Day**", when used with respect to any securities, means a day on which the securities exchange or national securities quotation system on which such securities are listed or admitted for trading on which the largest number of such securities were traded during the most recently completed calendar year is open for the transaction of business or, if the securities are not listed or admitted to trading on any securities exchange or national securities quotation system, a Business Day.

(eee) "**U.S.-Canadian Exchange Rate**" shall mean on any date: (i) if on such date the Bank of Canada sets an average noon spot rate of exchange for the conversion of one United States dollar into Canadian dollars, such rate; and (ii) in any other case, the rate for such date for the conversion of one United States dollar into Canadian dollars which is calculated in the manner which shall be determined by the Board of Directors from time to time acting in good faith.

(fff) "**Voting Share Reduction**" means an acquisition by the Corporation or a Subsidiary of the Corporation or the redemption by the Corporation of Voting Shares and/or Convertible Securities which, by reducing the number of Voting Shares and/or Convertible Securities outstanding, increases the percentage of outstanding Voting Shares Beneficially Owned by any Person.

(ggg) "**Voting Shares**" means the Common Shares and any other shares of capital stock or voting interests of the Corporation entitled to vote generally in the election of all directors of the Corporation.

Section 1.2 Currency.

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada, unless otherwise specified.

Section 1.3 Headings.

The division of this Agreement into Articles, Sections and subsections and the insertion of headings, subheadings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless stated otherwise, “Article”, “Section”, “subsection” and “Schedule” followed by a number or letter mean and refer to the specified Article, Section or subsection of or Schedule to this Agreement.

Section 1.4 Number and Gender.

Wherever the context so requires, terms used herein importing the singular number only shall include the plural and vice-versa and words importing only one gender shall include all others.

Section 1.5 Determination of Percentage Ownership

The percentage of outstanding Voting Shares Beneficially Owned by any Person, shall, for the purposes of this Agreement, be and be deemed to be the product (expressed as a percentage) determined by the formula:

$$100 \times \frac{A}{B}$$

where:

A = the aggregate number of votes for the election of all directors generally attaching to the outstanding Voting Shares Beneficially Owned by such Person; and

B = the aggregate number of votes for the election of all directors generally attaching to all outstanding Voting Shares.

Where any Person is deemed to Beneficially Own unissued Voting Shares pursuant to Section 1.1(e), such Voting Shares shall be deemed to be outstanding for the purpose of both A and B in the formula above for such Person, but no other unissued Voting Shares shall, for the purposes of this calculation, be deemed to be outstanding.

Section 1.6 Acting Jointly or in Concert.

For the purposes of this Agreement, a Person is acting jointly or in concert with every Person who is a party to an agreement, arrangement, commitment or understanding, whether formal or informal and whether or not in writing, with the first Person or any Associate or Affiliate of the first Person, to acquire or make an Offer to Acquire Voting Shares (other than customary agreements with and between underwriters or banking group members or selling group members with respect to a distribution of securities or to a pledge of securities in the ordinary course of business).

Section 1.7 Statutory References.

Unless the context otherwise requires, any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced, or if repealed and there shall be no replacement therefor, to the same as it is in effect on the date of this Agreement.

ARTICLE 2
THE RIGHTS

Section 2.1 Legend on Common Share Certificates.

(a) Certificates issued for Common Shares, including without limitation, Common Shares issued upon the conversion of Convertible Securities, after the Record Time but prior to the earlier of the Separation Time and the Expiration Time shall evidence one Right for each Common Share represented thereby and, commencing as soon as reasonably practicable after the effective date of this Agreement, shall have impressed on, printed on, written on or otherwise affixed to them, a legend in substantially the following form:

Until the Separation Time (defined in the Rights Agreement referred to below), this certificate also evidences rights of the holder described in a Shareholder Rights Plan Agreement, entered into as of September 20, 2022, as amended and restated as of June 8, 2023, and as further amended and restated as of June 17, 2026, and as such may from time to time be further amended, restated, varied or replaced (the "**Rights Agreement**"), between Neo Performance Materials Inc. and Computershare Investor Services Inc., as Rights Agent, the terms of which are hereby incorporated herein by reference and, a copy of which is on file at the principal executive offices of Neo Performance Materials Inc. and is available for viewing at www.sedarplus.ca. Under certain circumstances set out in the Rights Agreement, the rights may be redeemed, may expire, may become null and void or may be evidenced by separate certificates and no longer evidenced by this certificate.

(b) Until the earlier of the Separation Time and the Expiration Time, certificates representing Common Shares that are issued and outstanding at the Record Time shall evidence one Right for each Common Share evidenced thereby notwithstanding the absence of the foregoing legend. Following the Separation Time, Rights will be evidenced by Rights Certificates issued pursuant to Section 2.2.

Section 2.2 Initial Exercise Price; Exercise of Rights; Detachment of Rights.

(a) **Right to entitle holder to purchase one Common Share prior to adjustment**. Subject to adjustment as herein set forth and subject to Section 3.1(a), each Right will entitle the holder thereof, from and after the Separation Time and prior to the Expiration Time, to purchase, for the Exercise Price as at the Business Day immediately preceding the date of exercise of the Right, one Common Share (which price and number of Common Shares are subject to adjustment as set forth below and are subject to Section 3.1(a)). Notwithstanding any other provision of this Agreement, any Rights held by the Corporation or any of its Subsidiaries shall be void.

(b) **Rights not exercisable until Separation Time.** Until the Separation Time, (i) the Rights shall not be exercisable and no Right may be exercised, and (ii) for administrative purposes each Right will be evidenced by the certificates for the associated Common Shares registered in the names of the holders thereof (which certificates shall also be deemed to be Rights Certificates) and will be transferable only together with, and will be transferred by a transfer of, such associated Common Shares.

(c) **Delivery of Rights Certificate and disclosure statement.** From and after the Separation Time and prior to the Expiration Time, (i) the Rights shall be exercisable, and (ii) the registration and transfer of the Rights shall be separate from, and independent of, Common Shares. Promptly following the Separation Time, the Corporation will prepare and the Rights Agent will mail to each holder of record of Rights as of the Separation Time and, in respect of each Convertible Security converted into Common Shares after the Separation Time and prior to the Expiration Time promptly after such conversion to the holder so converting (other than an Acquiring Person and, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such Rights (a "**Nominee**")) at such holder's address as shown by the records of the Corporation (the Corporation hereby agreeing to furnish copies of such records to the Rights Agent for this purpose), (A) a certificate (a "**Rights Certificate**") in substantially the form of Schedule "A" hereto appropriately completed, representing the number of Rights held by such holder at the Separation Time, and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law, rule, regulation or judicial or administrative order or with any rule or regulation made pursuant thereto or with any rule or regulation of any self-regulatory organization, stock exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage, and (B) a disclosure statement describing the Rights, provided that a Nominee shall be sent the materials provided for in (A) and (B) in respect of all Common Shares held of record by it which are not Beneficially Owned by an Acquiring Person. In order for the Corporation to determine whether any Person is holding Common Shares which are Beneficially Owned by another Person, the Corporation may require such first mentioned Person to furnish it with such information and documentation as the Corporation considers advisable.

(d) **Exercise of Rights**. Rights may be exercised in whole or in part on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent (at the office of the Rights Agent in the City of Toronto or any other office of the Rights Agent in the cities designated from time to time for that purpose by the Corporation) the Rights Certificate evidencing such Rights together with an election to exercise such Rights (an "**Election to Exercise**") substantially in the form attached to the Rights Certificate duly completed and executed by the holder or his or her executors or administrators or other legal personal representative or his or their attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Corporation and the Rights Agent, accompanied by payment by certified cheque, banker's draft or money order payable to the order of the Rights Agent (which will promptly submit such payment to the Corporation or as directed by the Corporation), of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares in a name other than that of the holder of the Rights being exercised, all of the above to be received before the Expiration Time by the Rights Agent at its principal office in any of the cities listed on the Rights Certificate.

(e) **Duties of Rights Agent upon receipt of Election to Exercise.** Upon receipt of a Rights Certificate, which is accompanied by (i) a completed and duly executed Election to Exercise, and (ii) payment as set forth in Section 2.2(d) above, the Rights Agent (unless otherwise instructed by the Corporation) will thereupon promptly:

(i) requisition from the transfer agent for the Common Shares certificates representing the number of Common Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agent to comply with all such requisitions);

(ii) after receipt of such certificates, deliver the same to or upon the order of the registered holder of such Rights Certificate, registered in such name or names as may be designated by such registered holder;

(iii) when appropriate, requisition from the Corporation the amount of cash to be paid in lieu of issuing fractional Common Shares;

(iv) when appropriate, after receipt, deliver such cash (less any amounts required to be withheld) to or to the order of the registered holder of the Rights Certificate; and

(v) tender to the Corporation all payments received on exercise of the Rights.

(f) **Partial Exercise of Rights**. In case the holder of any Rights shall exercise less than all of the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing the Rights remaining unexercised will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.

(g) **Duties of the Corporation.** The Corporation covenants and agrees that it will:

(i) take all such action as may be necessary and within its power to ensure that all Common Shares or other securities delivered upon exercise of Rights shall, at the time of delivery of the certificates for such shares (subject to payment of the Exercise Price), be duly and validly authorized, executed, issued and delivered and fully paid and non-assessable;

(ii) take all such action as may reasonably be considered to be necessary and within its power to comply with any applicable requirements of the OBCA, the Securities Act and any applicable comparable securities legislation of each of the provinces of Canada, or any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights Certificates and the issuance of any Common Shares or other securities upon exercise of Rights;

(iii) use reasonable efforts to cause, from and after such time as the Rights become exercisable, all Common Shares issued upon exercise of Rights to be listed upon issuance on the principal stock exchange on which the Common Shares are listed or traded at that time;

(iv) cause to be reserved and kept available out of its authorized and unissued Common Shares, the number of Common Shares that, as provided in this Agreement, will from time to time be sufficient to permit the exercise in full of all outstanding Rights;

(v) pay when due and payable any and all applicable Canadian federal and provincial transfer taxes and charges (not including any income or capital taxes of the holder or exercising holder or any liability of the Corporation to withhold tax) which may be payable in respect of the original issuance or delivery of the Rights Certificates or Certificates for Common Shares issued upon the exercise of Rights, provided that the Corporation shall not be required to pay any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for shares or other securities in a name other than that of the registered holder of the Rights being transferred or exercised; and

(vi) after the Separation Time, except as permitted by this Agreement, not take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.

Section 2.3 Adjustments to Exercise Price; Number of Rights.

The Exercise Price, the number and kind of Common Shares or other securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 2.3 and in Article 3:

(a) **Adjustment to Exercise Price upon changes to share capital.** In the event the Corporation shall at any time after the Record Time and prior to the Expiration Time:

(i) declare or pay a dividend on the Common Shares payable in Common Shares or Convertible Securities other than the issue of Common Shares or Convertible Securities to holders of Common Shares in lieu of but not in an amount which exceeds the value of regular periodic cash dividend or other than pursuant to any Dividend Reinvestment Plan;

(ii) subdivide or change the then outstanding Common Shares into a greater number of Common Shares;

(iii) combine or change the then outstanding Common Shares into a smaller number of Common Shares; or

(iv) issue any Common Shares (or Convertible Securities) in respect of, in lieu of or in exchange for existing Common Shares, except as otherwise provided in this Section 2.3;

then the Exercise Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and the number and kind of Common Shares, or other securities, as the case may be, issuable on such date, shall be proportionately adjusted so that the holder of any Right exercised after such time shall be entitled to receive, upon payment of the Exercise Price then in effect, the aggregate number and kind of Common Shares or other securities, as the case may be, which, if such Right had been exercised immediately prior to such date and at a time when the Common

Share transfer books of the Corporation were open, such holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification. If an event occurs which would require an adjustment under both this Section 2.3 and Section 3.1, the adjustment provided for in this Section 2.3 shall be in addition to and, shall be made prior to, any adjustment required pursuant to Section 3.1.

(b) **Adjustment to Exercise Price upon issue of rights, options and warrants.** In case the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Common Shares (or shares having the same rights, privileges and preferences as Common Shares ("**equivalent common shares**")) or Convertible Securities in respect of Common Shares or equivalent common shares at a price per Common Share or per equivalent common share (or having a conversion price or exchange price or exercise price per share, if a security convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent common shares) less than 90% of the Market Price per Common Share on such record date, the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:

(i) the numerator of which shall be the number of Common Shares outstanding on such record date, plus the number of Common Shares that the aggregate offering price of the total number of Common Shares and/or equivalent common shares to be offered (and/or the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered, including the price required to be paid to purchase such convertible or exchangeable securities or rights so to be offered) would purchase at such Market Price per Common Share, and

(ii) the denominator of which shall be the number of Common Shares outstanding on such record date, plus the number of additional Common Shares and/or equivalent common shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities are initially convertible, exchangeable or exercisable).

In case such subscription price may be paid by delivery of consideration, part or all of which may be in a form other than cash, the value of such consideration shall be as determined in good faith by the Board of Directors, whose determination shall be described in a certificate filed with the Rights Agent and shall be binding on the Rights Agent and the holders of the Rights. Such adjustment shall be made successively whenever such a record date is fixed and, in the event that such rights or warrants are not so issued, the Exercise Price shall be adjusted to be the Exercise Price which would then be in effect if such record date had not been fixed.

For purposes of this Agreement, the granting of the right to purchase Common Shares (or equivalent common shares) (whether from treasury shares or otherwise) pursuant to any Dividend Reinvestment Plan and/or any Common Share purchase plan providing for the reinvestment of dividends or interest payable on securities of the Corporation and/or the investment of periodic optional payments and/or employee benefit, stock option or similar plans (so long as such right to purchase is in no case evidenced by the delivery of rights or warrants) shall not be deemed to constitute an issue of rights, options or warrants by the Corporation; provided, however, that, in the case of any Dividend Reinvestment Plan, the right to purchase Common Shares (or equivalent common shares) is at a price per share of not less than 90% of the current market price per share (determined as provided in such plans) of the Common Shares.

(c) **Adjustment to Exercise Price upon Corporate Distributions.** In case the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for a distribution to all holders of Common Shares (including any such distribution made in connection with a merger, amalgamation, arrangement, plan, compromise or reorganization in which the Corporation is the continuing or successor corporation) of evidences of indebtedness, cash (other than a regular periodic cash dividend or a regular periodic cash dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), assets or subscription rights, options or warrants (excluding those referred to in Section 2.3(b) above), the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:

(i) the numerator of which shall be the Market Price per Common Share on such record date, less the fair market value (as determined in good faith by the Board of Directors, whose determination shall be described in a statement filed with the Rights Agent) of the portion of the cash, assets or evidences of indebtedness so to be distributed or of such subscription rights, options or warrants applicable to a Common Share; and

(ii) the denominator of which shall be such Market Price per Common Share.

Such adjustments shall be made successively whenever such a record date is fixed, and in the event that such distribution is not so made, the Exercise Price shall be adjusted to be the Exercise Price which would have been in effect if such record date had not been fixed.

(d) **De minimis threshold for adjustment to Exercise Price**. Notwithstanding anything herein to the contrary, no adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Exercise Price; provided, however, that any adjustments which by reason of this Section 2.3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 2.3 shall be made to the nearest cent or to the nearest one-hundredth of a Common Share or other share, as the case may be. Notwithstanding the first sentence of this Section 2.3(d), any adjustment required by this Section 2.3 shall be made no later than the earlier of (i) 3 years from the date of the transaction which mandates such adjustment or (ii) the Expiration Time.

(e) **Corporation may provide for alternate means of adjustment.** In the event the Corporation shall at any time after the Record Time issue any shares of capital stock (other than Common Shares), or rights or warrants to subscribe for or purchase any such capital stock, or securities convertible into or exchangeable for any such capital stock, in a transaction referred to in Section 2.3(a)(i) or Section 2.3(a)(iv) or Section 2.3(b) or Section 2.3(c) above, if the Board of Directors acting in good faith determines that the adjustments contemplated by Section 2.3(a), Section 2.3(b) and Section 2.3(c) above in connection with such transaction will not appropriately protect the interests of the holders of Rights, the Corporation shall be entitled to determine what other adjustments to the Exercise Price, number of Rights and/or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding Section 2.3(a), Section 2.3(b) and Section 2.3(c) above, such adjustments, rather than the adjustments contemplated by Section 2.3(a), Section 2.3(b) and Section 2.3(c) above, shall be made. The Corporation and the Rights Agent shall amend this Agreement as appropriate to provide for such adjustments.

(f) **Adjustment to Rights exercisable into shares other than Common Shares**. If as a result of an adjustment made pursuant to Section 3.1, the holder of any Right thereafter exercised shall become entitled to receive any shares other than Common Shares, thereafter the number of such other shares so receivable upon exercise of any Right and the Exercise Price thereof shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Shares contained in Section 2.3(a), Section 2.3(b), Section 2.3(c), Section 2.3(d), Section 2.3(e), Section 2.3(g), Section 2.3(h), Section 2.3(i), Section 2.3(j), Section 2.3(k) and Section 2.3(l) above and below, as the case may be, and the provisions of this Agreement with respect to the Common Shares shall apply on like terms to any such other shares.

(g) **Rights to evidence right to purchase Common Shares at adjusted Exercise Price**. Each Right originally issued by the Corporation subsequent to any adjustment made to the Exercise Price hereunder shall evidence the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time hereunder upon exercise of such Right, all subject to further adjustment as provided herein.

(h) **Adjustment to number of Common Shares purchasable upon adjustment to Exercise Price.** Unless the Corporation shall have exercised its election as provided in Section 2.3(i) below, upon each adjustment of the Exercise Price as a result of the calculations made in Section 2.3(b) and Section 2.3(c) above, each Right outstanding immediately prior to the making of such adjustment shall thereafter evidence the right to purchase, at the adjusted Exercise Price, that number of Common Shares (calculated to the nearest one ten-thousandth) obtained by:

(i) multiplying:

(x) the number of shares purchasable upon exercise of a Right immediately prior to this adjustment by (y) the Exercise Price in effect immediately prior to such adjustment of the Exercise Price, and

(ii) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment of the Exercise Price.

(i) **Election to adjust number of Rights upon adjustment to Exercise Price**. The Corporation shall be entitled to elect on or after the date of any adjustment of the Exercise Price to adjust the number of Rights, in lieu of any adjustment in the number of Common Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after the adjustment in the number of Rights shall be exercisable for the number of Common Shares for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the Exercise Price in effect immediately prior to adjustment of the Exercise Price by the Exercise Price in effect immediately after adjustment of the Exercise Price. The Corporation shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Exercise Price is adjusted or any day thereafter but, if Rights Certificates have been issued, shall be at least 10 days later than the date of the public announcement. If Rights Certificates have been issued, upon each adjustment, of the number of Rights pursuant to this Section 2.3(i), the Corporation shall, as promptly as practicable, cause to be distributed to holders of record of Rights Certificates on such record date Rights Certificates evidencing, subject to Section 5.5, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Corporation, shall cause to be distributed to such holders of record in substitution and replacement for the Rights Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, new Rights Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Rights Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein and may bear, at the option of the Corporation, the adjusted Exercise Price and shall be registered in the names of the holders of record of Rights Certificates on the record date for the adjustment specified in the public announcement.

(j) **Rights Certificates may contain Exercise Price before adjustment**. Irrespective of any adjustment or change in the Exercise Price or the number of Common Shares issuable upon the exercise of the Rights, the Rights Certificates theretofore and thereafter issued may continue to express the Exercise Price per share and the number of shares which were expressed in the initial Rights Certificates issued hereunder.

(k) **Corporation may in certain cases defer issues of securities**. In any case in which this Section 2.3 shall require that an adjustment in the Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the Exercise Price in effect prior to such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional shares (fractional or otherwise) or securities upon the occurrence of the event requiring such adjustment.

(l) **Corporation has discretion to reduce Exercise Price for tax reasons**. Notwithstanding anything in this Section 2.3 to the contrary, the Corporation shall be entitled to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this Section 2.3, as and to the extent that in their good faith judgment, the Board of Directors shall determine to be advisable in order that any (A) consolidation or subdivision of the Common Shares, (B) issuance of any Common Shares at less than the Market Price, (C) issuance of securities convertible into or exchangeable for Common Shares, (D) stock dividends or (E) issuance of rights, options or warrants, referred to in this Section 2.3 hereafter made by the Corporation to holders of its Common Shares, shall not be taxable to such shareholders.

(m) **Notice in Respect of Adjustments**. Whenever an adjustment to the Exercise Price or a change in the securities purchasable upon exercise of the Rights is made at any time after the Separation Time pursuant to this Section 2.3, the Corporation shall promptly:

(i) file with the Rights Agent and with the transfer agent for the Common Shares a certificate specifying the particulars of such adjustment or change; and

(ii) cause notice of the particulars of such adjustment or change to be given to the holders of the Rights; provided that failure to file such certificate or cause such notice to be given as aforesaid, or any defect therein, shall not affect the validity of any such adjustment or change.

Section 2.4 Date on Which Exercise is Effective.

Each person in whose name any certificate for Common Shares is issued upon the exercise of Rights, shall for all purposes be deemed to have become the holder of record of the Common Shares represented thereby on, and such certificate shall be dated, the date upon which the Rights Certificate evidencing such Rights was duly surrendered (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the Common Share transfer books of the Corporation are closed, such person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding Business Day on which the Common Share transfer books of the Corporation are open.

Section 2.5 Execution, Authentication, Delivery and Dating of Rights Certificates.

(a) The Rights Certificates shall be executed on behalf of the Corporation by its Chair, President, Chief Executive Officer, Vice President or Chief Financial Officer, under its corporate seal reproduced thereon attested by its Corporate Secretary and Vice President, Administration. The signature of any of these officers on the Rights Certificates may be manual or facsimile. Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation shall bind the Corporation, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the countersignature and delivery of such Rights Certificates.

(b) Promptly after the Corporation learns of the Separation Time, the Corporation will notify the Rights Agent of such Separation Time and will deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature and disclosure statements as described in Section 2.2(c), and the Rights Agent shall manually or by facsimile signature countersign and send such Rights Certificates and disclosure statements to the holders of the Rights pursuant to Section 2.2(c). No Rights Certificate shall be valid for any purpose until countersigned by the Rights Agent as aforesaid.

(c) Each Rights Certificate shall be dated the date of countersignature thereof.

Section 2.6 Registration, Registration of Transfer and Exchange.

(a) Following the Separation Time, the Corporation will cause to be kept a register (the "**Rights Register**") in which, subject to such reasonable regulations as it may prescribe, the Corporation will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed "**Rights Registrar**" for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as herein provided and the Rights Agent hereby accepts such appointment. In the event that the Rights Agent shall cease to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times.

After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate and subject to the provisions of Section 2.6(c) below and the other provisions of this Agreement, the Corporation will execute and the Rights Agent will countersign, register and deliver, in the name of the holder or the designated transferee or transferees as required pursuant to the holder's instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered.

(b) All Rights issued upon any registration of transfer or exchange of Rights Certificates shall be the valid obligations of the Corporation, and such Rights shall be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

(c) Every Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the Rights Agent, as the case may be, duly executed by the registered holder thereof or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this Section 2.6, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

(d) The Corporation shall not be required to register the transfer or exchange of any Rights after the Rights have been terminated pursuant to the provisions of this Agreement.

Section 2.7 Mutilated, Destroyed, Lost and Stolen Rights Certificates.

(a) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, the Corporation shall execute and the Rights Agent shall countersign and deliver in exchange thereof a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.

(b) If there shall be delivered to the Corporation and the Rights Agent prior to the Expiration Time (i) evidence to their reasonable satisfaction of the ownership, destruction, loss or theft of any Rights Certificate, and (ii) such indemnity or other security as may be required by each of them in their own discretion to save each of them and any of their agents harmless then, in the absence of notice to the Corporation or the Rights Agent that such Rights Certificate has been acquired by a bona fide purchaser, the Corporation shall execute and upon its request the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

(c) As a condition to the issuance of any new Rights Certificate under this Section 2.7, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

(d) Every new Rights Certificate issued pursuant to this Section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate shall evidence an original additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate shall be at any time enforceable by anyone, and the holder thereof shall be entitled to all the benefits of this Agreement equally and proportionately with any and all other holders of Rights duly issued by the Corporation.

Section 2.8 Persons Deemed Owners.

Prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent shall be entitled to deem and treat the person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever. As used in this Agreement, unless the context otherwise requires, the term "**holder**" of any Rights shall mean the registered holder of such Rights (or, prior to the Separation Time, the associated Common Shares).

Section 2.9 Delivery and Cancellation of Rights Certificates.

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange shall, if surrendered to any person other than the Rights Agent, be delivered to the Rights Agent and, in any case, shall be promptly cancelled by the Rights Agent. The Corporation may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which the Corporation may have acquired in any manner whatsoever, and all Rights Certificates so delivered shall be promptly cancelled by the Rights Agent. No Rights Certificate shall be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.9 except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable laws, destroy all cancelled Rights Certificates and deliver a certificate of destruction to the Corporation.

Section 2.10 Agreement of Rights Holders.

Every holder of Rights, by accepting the same, consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights:

(a) to be bound by and subject to the provisions of this Agreement, as amended or supplemented from time to time in accordance with the terms hereof, in respect of all Rights held;

(b) that prior to the Separation Time each Right will be transferable only together with, and will be transferred by a transfer of, the Common Share certificate representing such Right;

(c) that after the Separation Time, the Rights Certificates will be transferable only on the Rights Register as provided herein;

(d) that prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent shall be entitled to deem and treat the person in whose name the Rights Certificate (or prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or the associated Common Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes whatsoever, and neither the Corporation nor the Rights Agent shall be affected by any notice to the contrary;

(e) that such holder of Rights has waived his right to receive any fractional Rights or any fractional shares upon exercise of Right;

(f) that, in accordance with Section 5.4, without the approval of any holder of Rights and upon the sole authority of the Board of Directors acting in good faith this Agreement may be supplemented or amended from time to time pursuant to and as provided herein; and

(g) that notwithstanding anything in this Agreement to the contrary, neither the Corporation nor the Rights Agent shall have any liability to any holder of a Right or any other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation, or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation.

Section 2.11 Rights Certificate Holder not Deemed a Shareholder.

No holder, as such, of any Rights or Rights Certificate shall be entitled to vote, receive dividends or be deemed for any purpose whatsoever the holder of any Common Share or any other share or security of the Corporation which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Rights Certificate be construed or deemed to confer upon the holder of any Right or Rights Certificate, as such, any of the rights, titles, benefits or privileges of a holder of Common Shares or any other shares or securities of the Corporation or any right to vote at any meeting of shareholders of the Corporation whether for the election of directors or otherwise or upon any matter submitted to holders of shares of the Corporation at any meeting thereof, or to give or withhold consent to any action of the Corporation, or to receive notice of any meeting or other action affecting any holder of Common Shares or any other shares or securities of the Corporation except as expressly provided herein, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by Rights Certificates shall have been duly exercised in accordance with the terms and provisions hereof.

ARTICLE 3
ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS

Section 3.1 Flip-In Event.

(a) Subject to Section 3.1(b) below, and Section 5.1, in the event that prior to the Expiration Time a Flip-In Event shall occur, each Right shall constitute, effective on and after the later of its date of issue and the close of business on the tenth Trading Day following the Stock Acquisition Date, the right to purchase from the Corporation, upon payment of the relevant Exercise Price and otherwise exercising such Right in accordance with the terms hereof, that number of Common Shares of the Corporation having an aggregate Market Price on the date of the occurrence of such Flip-In Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such Right to be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 upon each occurrence after the Stock Acquisition Date of any event analogous to any of the events described in Section 2.3).

(b) Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any Flip-In Event, any Rights that are or were Beneficially Owned on or after the earlier of the Separation Time and the Stock Acquisition Date by:

(i) an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert), or

(ii) a transferee or other successor in title, directly or indirectly, (a "**Transferee**") of Rights held by an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or of any Affiliate or Associate of such Person so acting jointly or in concert) who becomes a Transferee concurrently with or subsequent to the Acquiring Person becoming an Acquiring Person in a transfer that the Board of Directors, acting in good faith, has determined is part of a plan, arrangement or scheme of an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert), that has the purpose or effect of avoiding the provisions of Section 3.1(b)(i);

shall become null and void without any further action, and any holder of such Rights (including any Transferee) shall not have any rights whatsoever to exercise such Rights under any provision of this Agreement and shall not have thereafter any other rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise. The holder of any Rights represented by a Rights Certificate which is submitted to the Rights Agent upon exercise or for registration of transfer or exchange which does not contain the necessary certifications set forth in the Rights Certificate establishing that such Rights are not null and void under this Section 3.1(b) shall be deemed to be an Acquiring Person for the purposes of this Section 3.1 and such Rights shall become null and void.

(c) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either subsections (i) or (ii) of Section 3.1(b) or transferred to any nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, shall contain the following legend:

> "The Rights represented by this Rights Certificate were Beneficially Owned by a Person who was an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or of any Affiliate or Associate of such Person so acting jointly or in concert) (as such terms are defined in the Shareholder Rights Plan Agreement). This Rights Certificate and the Rights represented hereby shall become void in the circumstances specified in subsection 3.1(b) of the Rights Agreement."

provided that the Rights Agent shall not be under any responsibility to ascertain the existence of facts that would require the imposition of such legend but shall be required to impose such legend only if instructed to do so by the Corporation in writing or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert).

(d) From and after the Separation Time, the Corporation shall do all such acts and things as shall be necessary and within its power to ensure compliance with the provisions of this Section 3.1 including, without limitation, all such acts and things as may be required to satisfy the requirements of the OBCA, the Securities Act, the securities laws or comparable legislation of each of the provinces of Canada and any other applicable laws in respect of the issue of Common Shares upon the exercise of Rights in accordance with this Agreement.

ARTICLE 4
THE RIGHTS AGENT

Section 4.1 General.

(a) The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and holders of Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-Rights Agents as it may deem necessary or desirable, subject to the prior approval of the Rights Agent. In the event the Corporation appoints one or more co-Rights Agents, the respective duties of the Rights Agents and co-Rights Agents shall be as the Corporation may determine, with the approval of the Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, its reasonable expenses (including reasonable counsel fees and disbursements) incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Corporation also agrees to indemnify the Rights Agent, its officers, directors and employees for, and to hold such persons harmless against, any loss, liability, cost, claim, action, suit, damage, or expense incurred (that is not the result of negligence, bad faith or wilful misconduct on the part of any one or all of the Rights Agent, its officers, directors or employees) for anything done, suffered or omitted by the Rights Agent in connection with the acceptance, execution and administration of this Agreement and the exercise and performance of its duties hereunder, including the costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement or the resignation or removal of the Rights Agent.

(b) The Rights Agent shall be protected from and shall incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any certificate for Common Shares or any Rights Certificate or certificate for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document reasonably believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

(c) The Corporation shall inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this Agreement by the Rights Agent and at any time, upon request, shall provide to the Rights Agent an incumbency certificate certifying the then current officers of the Corporation.

Section 4.2 Merger or Amalgamation or Change of Name of Rights Agent.

(a) Any corporation into which the Rights Agent or any successor Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation, statutory arrangement or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent or any successor Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

(b) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates shall have the full force provided in the Rights Certificates and in this Agreement.

Section 4.3 Duties of Rights Agent.

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, to all of which the Corporation and the holders of Rights Certificates, by their acceptance thereof, shall be bound:

(a) the Rights Agent may retain and consult with legal counsel (who may be legal counsel for the Corporation) and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted to be taken by it in good faith and in accordance with such opinion. Subject to the prior written consent of the Corporation, which consent will not be unreasonably withheld, the Rights Agent may also consult with such other experts as the Rights Agent shall consider necessary or appropriate to properly carry out the duties and obligations imposed under this Agreement at the expense of the Corporation and the Rights Agent shall be entitled to act and rely in good faith on the advice of any such expert;

(b) whenever in the performance of its duties under this Agreement the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by the Corporation prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proven and established by a certificate signed by a person reasonably believed by the Rights Agent to be Chair, President, Chief Executive Officer, Chief Financial Officer or Corporate Secretary and Vice President, Administration of the Corporation and delivered to the Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate;

(c) the Rights Agent will be liable hereunder only for events which are the result of its own negligence, bad faith or wilful misconduct and that of its officers, directors and employees;

(d) the Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates for Common Shares or the Rights Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and will be deemed to have been made by the Corporation only;

(e) the Rights Agent will not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any Common Share certificate or Rights Certificate (except its countersignature thereof); nor will it be responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; nor will it be responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to Section 3.1(b)) or any adjustment required under the provisions of Section 2.3 or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by Section 2.3 describing any such adjustment); nor will it by any act hereunder be deemed to make any representation or warranty as to the authorization of any Common Shares to be issued pursuant to this Agreement or any Rights or as to whether any Common Shares will, when issued, be duly and validly authorized, executed, issued and delivered or fully paid and non-assessable;

(f) the Corporation agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement;

(g) the Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any person reasonably believed by the Rights Agent to be the Chair, President, Chief Executive Officer, Chief Financial Officer or Corporate Secretary and Vice President, Administration of the Corporation and to apply to such persons for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such person. It is understood that instructions to the Rights Agent shall, except where circumstances make it impracticable or the Rights Agent otherwise agrees, be given in writing and, where not in writing, such instructions shall be confirmed in writing as soon as reasonably possible after the giving of such instructions;

(h) the Rights Agent and any shareholder or stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in Common Shares, Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the Corporation may be interested or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity; and

(i) the Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or, by or through its attorneys or agents. The Rights Agent will not be answerable or accountable for any act, omission, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, omission, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

Section 4.4 Change of Rights Agent.

The Rights Agent may resign and be discharged from its duties under this Agreement upon 60 days' notice (or such lesser notice as is acceptable to the Corporation) in writing mailed to the Corporation and to each transfer agent of Voting Shares by registered or certified mail, and to the holders of the Rights in accordance with Section 5.8 (all of which shall be at the expense of the Corporation). The Corporation may remove the Rights Agent upon 30 days' notice in writing, given to the Rights Agent and to each transfer agent of the Voting Shares by registered or certified mail and to the holders of the Rights in accordance with Section 5.8. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Corporation will appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of 30 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate for inspection by the Corporation), then the Rights Agent or the holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent at the Corporation's expense. Any successor Rights Agent, whether appointed by the Corporation or by such a court, shall be a corporation incorporated under the laws of Canada or a province thereof authorized to carry on the business of a trust company in all the Provinces and Territories of Canada. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent, upon receiving from the Corporation payment in full of all amounts outstanding under this Agreement, shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Voting Shares, and mail a notice thereof in writing to the holders of the Rights. The cost of giving any notice required under this Section 4.4 shall be borne solely by the Corporation. Failure to give any notice provided for in this Section 4.4 however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 4.5 Compliance with Anti-Money Laundering Legislation.

The Rights Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any reason whatsoever, the Rights Agent reasonably determines that such an act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist financing legislation, regulation or guideline. Further, should the Rights Agent reasonably determine at any time that its acting under the Agreement has resulted in it being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' written notice to the Corporation, provided that: (i) the Rights Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Rights Agent's satisfaction within such 10 day period, then such resignation shall not be effective.

Section 4.6 Compliance with Privacy Legislation.

The parties acknowledge that the federal and/or provincial legislation that addresses the protection of individual's personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Agreement. Despite any other provision of this Agreement, neither party will take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation will, prior to transferring or causing to be transferred personal information to the Rights Agent, obtain and retain required information, or will have determined that such consents either have previously been given upon which the parties can rely or are not required under applicable Privacy Laws. The Rights Agent will use commercially reasonable efforts to ensure that its services hereunder comply with applicable Privacy Laws.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Redemption and Waiver

(a) Subject to the prior consent of the holders of Voting Shares or Rights obtained as set forth in Section 5.4(b) or Section 5.4(c) hereof, as applicable, the Board of Directors acting in good faith may, at any time prior to the occurrence of a Flip-In Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of $0.000001 per Right appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 hereof in the event that an event of the type described in Section 2.3 hereof shall have occurred (such redemption price being herein referred to as the "**Redemption Price**").

(b) Subject to the prior consent of the holders of Voting Shares obtained as set forth in Section 5.4(b) hereof, the Board of Directors may, at any time prior to the occurrence of a Flip-In Event as to which the application of Section 3.1 hereof has not been waived pursuant to this Section 5.1, if such Flip-In Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a Take-Over Bid made by means of a take-over bid circular to all registered holders of Voting Shares and otherwise than in the circumstances set forth in Section 5.1(d) hereof, waive the application of Section 3.1 hereof to such Flip-In Event. In such event, the Board of Directors shall extend the Separation Time to a date at least ten (10) Business Days subsequent to the meeting of shareholders called to approve such waiver.

(c) The Board of Directors acting in good faith, may, prior to the occurrence of a Flip-In Event, and upon prior written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 hereof to a Flip-In Event that may occur by reason of a Take-Over Bid made by means of a take-over bid circular to all registered holders of Voting Shares; provided that if the Board of Directors waives the application of Section 3.1 hereof to a particular Flip-In Event pursuant to this Section 5.1(c), the Board of Directors shall be deemed to have waived the application of Section 3.1 hereof to any other Flip-In Event occurring by reason of any Take-Over Bid made by means of a take-over bid circular to all registered holders of Voting Shares prior to the expiry of any Take-Over Bid in respect of which a waiver is, or is deemed to have been granted, pursuant to this Section 5.1(c).

(d) The Board of Directors may, upon prior written notice delivered to the Rights Agent, waive the application of Section 3.1 hereof in respect of the occurrence of any Flip-In Event if the Board of Directors has determined, following a Stock Acquisition Date and prior to the Separation Time, that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and, in the event that such a waiver is granted by the Board of Directors, such Stock Acquisition Date shall be deemed not to have occurred. Any such waiver pursuant to this Section 5.1(d) must be on the condition that such Person, within fourteen (14) days after the foregoing determination by the Board of Directors or such earlier or later date as the Board of Directors may determine (the "**Disposition Date**"), has reduced its Beneficial Ownership of Voting Shares such that the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the close of business on the Disposition Date, the Disposition Date shall be deemed to be the date of occurrence of a further Stock Acquisition Date and Section 3.1 hereof shall apply thereto.

(e) Where a Person acquires pursuant to a Permitted Bid, a Competing Permitted Bid or an Exempt Acquisition under Section 5.1(c) above, outstanding Voting Shares and/or Convertible Securities, other than Voting Shares Beneficially Owned at the date of the Permitted Bid, the Competing Permitted Bid or the Exempt Acquisition under Section 5.1(c) by such Person, then the Board of Directors of the Corporation shall immediately upon the consummation of such acquisition without further formality, including any approval under Section 5.1(a), be deemed to have elected to redeem the Rights at the Redemption Price.

(f) If the Corporation is deemed under Section 5.1(e) above to redeem the Rights, or if the Board of Directors elects under Section 5.1(a) above or Section 5.1(h) below to redeem the Rights, the right to exercise the Rights will thereupon, without further action and without notice, terminate and each Right will after redemption be null and void and the only right thereafter of the holders of Rights shall be to receive the Redemption Price.

(g) Within ten (10) days after the Corporation is deemed under Section 5.1(e) above to redeem the Rights, or the Board of Directors elects under Section 5.1(a) above or Section 5.1(h) below to redeem the Rights, the Corporation shall give notice of redemption to the holders of the then outstanding Rights by mailing such notice to all such holders at their last address as they appear upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made. The Corporation may not redeem, acquire or purchase for value any Rights at any time in any manner other than that specifically set forth in this Section 5.1 and other than in connection with the purchase of Common Shares prior to the Separation Time.

(h) Where a Take-Over Bid that is not a Permitted Bid Acquisition is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-In Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

(i) Notwithstanding the Rights being redeemed pursuant to Section 5.1(h) above, all the provisions of this Agreement shall continue to apply as if the Separation Time had not occurred and Rights Certificates representing the number of Rights held by each holder of record of Common Shares as of the Separation Time had not been mailed to each such holder and for all purposes of this Agreement the Separation Time shall be deemed not to have occurred and the Rights shall remain attached to outstanding Common Shares, subject to and in accordance with the provisions of this Agreement.

Section 5.2 Expiration.

No person shall have any rights whatsoever pursuant to or arising out of this Agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in Section 4.1(a).

Section 5.3 Issuance of New Rights Certificates.

Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Corporation may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved by its Board of Directors to reflect any adjustment or change in the number or kind or class of shares purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

Section 5.4 Supplements and Amendments.

(a) The Corporation may from time to time supplement, amend or amend and restate this Agreement without the approval of any holders of Rights or Voting Shares to correct any clerical or typographical error or to maintain the validity of the Agreement as a result of a change in or in the interpretation of any applicable legislation or regulations or rules thereunder. The Corporation may, prior to the date of the 2026 shareholders' meeting, further supplement or amend this Agreement without the approval of any holders of Rights or Voting Shares in order to make any changes which the Board of Directors acting in good faith may deem necessary or desirable (provided that such action would not materially adversely affect the interests of the holders of Rights generally). Notwithstanding anything in this Section 5.4 to the contrary, no supplement, amendment, or amendments and restatements shall be made to the provisions of Article 4 hereof except with the written concurrence of the Rights Agent to such supplement, amendment, or amendments and restatements.

(b) Subject to Section 5.4(a) above, the Corporation may, with the prior consent of the holders of the Voting Shares obtained as set forth below, at any time prior to the Separation Time amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent shall be deemed to have been given if the action requiring such approval is authorized by the affirmative vote of a majority of the votes cast by Independent Shareholders represented in person or by proxy at a meeting of such holders duly held in accordance with applicable laws and the requirements in the articles and by-laws of the Corporation.

(c) The Corporation may, with the prior consent of the holders of Rights, at any time after the Separation Time and before the Expiration Time, amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally).

(d) Any consent or approval of the holders of Rights shall be deemed to have been given if the action requiring such approval is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect thereof. For the purposes hereof, each outstanding Right (other than Rights which are void pursuant to the provisions hereof) shall be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting shall be those, as nearly as may be, which are provided in the Corporation's by-laws and the OBCA with respect to a meeting of shareholders of the Corporation.

(e) The Corporation shall be required to provide the Rights Agent with notice in writing of any such amendment, variation or deletion to this Agreement as referred to in this Section 5.4 within 5 days of effecting such amendment, variation or deletion.

(f) Any supplements, amendments, or amendments and restatements made by the Corporation to this Agreement pursuant to Section 5.4(a) above which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation or regulations or rules thereunder shall:

(i) if made before the Separation Time, be submitted to the shareholders of the Corporation at the next meeting of shareholders and the shareholders may, by the majority referred to in Section 5.4(b) above confirm or reject such amendment; and

(ii) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights may, by resolution passed by the majority referred to in Section 5.4(d) above, confirm or reject such amendment.

A supplement, amendment, or amendment and restatement of the nature referred to in this Section 5.4(f) shall be effective from the date of the resolution of the Board of Directors adopting such supplement, amendment, or amendment and restatement until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such supplement, amendment, or amendment and restatement is confirmed, it continues in effect in the form so confirmed. If such supplement, amendment, or amendment and restatement is rejected by the shareholders or the holders of Rights or is not submitted to the shareholders or holders of Rights as required, then such supplement, amendment, or amendment and restatement shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board of Directors to amend, vary or delete any provision of this Agreement to substantially the same effect shall be effective until confirmed by the shareholders or holders of Rights, as the case may be.

Section 5.5 Fractional Rights and Fractional Shares.

(a) The Corporation shall not be required to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights. Any such fractional Right shall be null and void and the Corporation will not have any obligation or liability in respect thereof.

(b) The Corporation shall not be required to issue fractions of Common Shares or other securities upon exercise of the Rights or to distribute certificates which evidence fractional

Common Shares or other securities. In lieu of issuing fractional Common Shares or other securities, the Corporation shall pay to the registered holders of Rights Certificates at the time such Rights are exercised as herein provided, an amount in cash equal to the same fraction of the Market Price of one Common Share. The Rights Agent shall have no obligation to make any payments in lieu of fractional Common Shares unless the Corporation shall have provided the Rights Agent with the necessary funds to pay in full all amounts payable in accordance with Section 2.2(e).

Section 5.6 Rights of Action.

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective registered holders of the Rights; and any registered holder of any Rights, without the consent of the Rights Agent or of the registered holder of any other Rights, may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights enforce, and may institute and maintain any suit, action or proceeding against the Corporation to enforce such holder's right to exercise such holder's Rights in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person subject to, this Agreement.

Section 5.7 Notice of Proposed Actions.

If after the Separation Time and prior to the Expiration Time:

(a) there shall occur an adjustment to the Rights pursuant to Section 3.1 as a result of the occurrence of a Flip-In Event; or

(b) the Corporation proposes to effect the liquidation, dissolution or winding-up of the Corporation or the sale of all or substantially all of the Corporation's assets;

then, in each such case, the Corporation shall give to each holder of a Right, in accordance with Section 5.8, a notice of such proposed action, which shall specify the date on which such Flip-In Event, liquidation, dissolution, winding up, or sale is to take place, and such notice shall be so given within 10 Business Days after the occurrence of such an adjustment to the Rights referred to in Section 5.7(a), or at least 20 Business Days prior to the date of taking of such proposed action referred to in Section 5.7(b).

Section 5.8 Notices.

(a) Notices or demands authorized or required by this Agreement to be given or made by the Rights Agent or by the holder of any Rights to or on the Corporation shall be in writing and shall be sufficiently given or made if delivered or sent by: (i) except during any general interruption of postal services due to strike, lockout or other cause, first-class mail; or (ii) sent by e-mail or other form of recorded electronic communication, charges prepaid and confirmed in writing as aforesaid, addressed (until another address is filed in writing with the Rights Agent) as follows:

Neo Performance Materials Inc.
121 King Street West, Suite 1740

Toronto, ON
M5H 3T9

Attention: SVP, General Counsel & Corporate Secretary
Email: legal@neomaterials.com

(b) Any notice or demand authorized or required by this Agreement to be given or made by the Corporation or by the holder of any Rights to or on the Rights Agent shall be in writing and shall be sufficiently given or made if delivered or sent by: (i) except during any general interruption of postal services due to strike, lockout or other cause, first-class mail; or (ii) sent by e-mail or other form of recorded electronic communication, charges prepaid and confirmed in writing as aforesaid, addressed (until another address is filed in writing with the Corporation) as follows:

Computershare Investor Services Inc.
310 Bay Street, 14th Floor
Toronto, ON
M5H 4A6

Attention: Laura Stone, Relationship Manager
Email: laura.stone@computershare.com

(c) Notices or demands authorized or required by this Agreement to be given or made by the Corporation or the Rights Agent to or on the holder of any Rights shall be sufficiently given or made if delivered or sent by first-class mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice.

(d) Notwithstanding the foregoing provisions of this Section 5.8, if mail service is or is threatened to be interrupted at a time when the Corporation or the Rights Agent wishes to give a notice or demand hereunder to or on the holders of the Rights, the Corporation or the Rights Agent may give such notice by means of a publication in the business section of the Globe and Mail or in such other publications as may be designated by the Corporation.

Section 5.9 Successors.

All the covenants and provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent shall bind and enure to the benefit of their respective successors and assigns hereunder.

Section 5.10 Benefits of this Agreement.

This Agreement shall be for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights; nothing in this Agreement shall be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement.

Section 5.11 Governing Law.

This Agreement and each Right issued hereunder shall be deemed to be a contract made under the laws of the Province of Ontario and for all purposes shall be governed by and construed in accordance with the laws of such province and the federal laws of Canada applicable therein.

Section 5.12 Severability.

If any Section, subsection, term or provision hereof or the application thereof to any circumstances or any right hereunder shall, in any jurisdiction and to any extent, be invalid or unenforceable, such Section, subsection, term or provision or such right shall be ineffective only in such jurisdiction and to the extent of such invalidity or unenforceability in such jurisdiction without invalidating or rendering unenforceable or ineffective the remaining Sections, subsections, terms and provisions hereof or rights hereunder in such jurisdiction or the application of such Section, subsection, term or provision or rights hereunder in any other jurisdiction or to circumstances other than those as to which it is specifically held invalid or unenforceable.

Section 5.13 Effective Date.

(a) This Agreement is effective and in full force and effect in accordance with its terms and conditions from and after the date hereof (the "**Effective Date**"). This Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the Expiration Time.

(b) Notwithstanding Section 5.13(a), if this Agreement is not approved by resolution passed by a majority of the votes cast by Independent Shareholders (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed) who vote in respect of such approval at the 2026 annual and special meeting of shareholders of the Corporation, then this Agreement and all outstanding Rights shall terminate and be void and of no further force and effect from and after the end of such meeting of the shareholders of the Corporation.

(c) This Agreement must be reconfirmed by a resolution passed by a majority of the votes cast by Independent Shareholders (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed) at the annual meeting of shareholders of the Corporation to be held in 2029 and at every third annual meeting of shareholders of the Corporation thereafter. If the Agreement is not so reconfirmed or is not presented for reconfirmation at such annual meeting, the Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the date of termination of such annual meeting; provided that the termination shall not occur if a Flip-In-Event has occurred (other than a Flip-In-Event which has been waived pursuant to Section 5.1(c) and Section 5.1(d)) prior to the date upon which this Agreement would otherwise terminate pursuant to Section 5.13.

Section 5.14 Determinations and Actions by the Board of Directors.

All actions, calculations and determinations (including all omissions with respect to the foregoing) which are done or made by the Board of Directors, in good faith, in relation to or in connection with this Agreement, shall not subject the Board of Directors or any director of the Corporation to any liability to the holders of the Rights.

Section 5.15 Rights of Board, Corporation and Offeror.

Without limiting the generality of the foregoing, nothing contained herein shall be construed to suggest or imply that the Board of Directors shall not be entitled to recommend that holders of Voting Shares reject or accept any Take-Over Bid or take any other action (including, without limitation, the commencement, prosecution, defence or settlement of any litigation and the submission of additional or alternative Take-Over Bids or other proposals to the holders of Voting Shares) with respect to any Take-Over Bid or otherwise that the Board of Directors believes is necessary or appropriate in the exercise of its fiduciary duties.

Section 5.16 Regulatory Approvals.

This Agreement shall be subject in any jurisdiction to the receipt of any required prior or subsequent approval or consent from any governmental or regulatory authority in such jurisdiction including any securities regulatory authority or stock exchange. Any obligations of the Corporation or action contemplated by this Agreement, including any amendment hereto, shall be subject to the receipt of any requisite approval or consent from any applicable regulatory authority, including without limitation, any necessary approvals of the Toronto Stock Exchange or any other exchange.

Section 5.17 Declaration as to Non-Canadian Holders.

If in the opinion of the Board of Directors (who may rely upon the advice of counsel) any action or event contemplated by this Agreement would require compliance with the securities laws or comparable legislation of a jurisdiction outside Canada, the Board of Directors acting in good faith may take such actions as it may deem appropriate to ensure such compliance. In no event shall the Corporation or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction other than Canada in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes, or (until such notice is given as required by law) without advance notice to any regulatory or self-regulatory body.

Section 5.18 Time of the Essence.

Time shall be of the essence in this Agreement.

Section 5.19 Liability

Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Rights Agent shall not be liable under any circumstances whatsoever for any (a) breach by any other party of securities law or other rule of any securities regulatory authority, (b) lost profits or (c) special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

Section 5.20 Execution in Counterparts.

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement.

NEO PERFORMANCE MATERIALS INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________
Authorized Signing Officer

COMPUTERSHARE INVESTOR SERVICES INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________
Authorized Signing Officer

SCHEDULE "A"

FORM OF RIGHTS CERTIFICATE

Certificate No. ______________ ______________ **Rights**

THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE CORPORATION, ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SECTION 3.1(b) OF THE RIGHTS AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON, ANY PERSON ACTING JOINTLY OR IN CONCERT WITH AN ACQUIRING PERSON OR THEIR RESPECTIVE ASSOCIATES AND AFFILIATES (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT) AND THEIR RESPECTIVE TRANSFEREES SHALL BECOME VOID WITHOUT ANY FURTHER ACTION.

RIGHTS CERTIFICATE

This certifies that ___________________ or registered assigns, is the registered holder of the number of Rights set forth above each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Shareholder Rights Plan Agreement entered into as of September 20, 2022, as amended and restated as of June 8, 2023, and further amended and restated as of June 17, 2026, and as may be further amended and restated from time to time (the "**Rights Agreement**"), between Neo Performance Materials Inc., a corporation existing under the laws of the Province of Ontario (the "**Corporation**"), and Computershare Investor Services Inc., a trust company existing under the laws of Canada, as rights agent (the "**Rights Agent**", which term shall include any successor Rights Agent under the Rights Agreement) to purchase from the Corporation at any time after the Separation Time (as such term is defined in the Rights Agreement) and prior to the Expiration Time (as such term is defined in the Rights Agreement) (or such earlier expiration time as is provided in the Rights Agreement) one fully paid and non-assessable Common Share of the Corporation (a "**Common Share**") at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate together with the Form of Election to Exercise duly executed and submitted to the Rights Agent at its principal offices in Toronto, Ontario. The Exercise Price per Right shall be determined from time to time in accordance with the terms of the Rights Agreement.

In certain circumstances described in the Rights Agreement, each Right evidenced hereby may entitle the registered holder thereof to purchase or receive assets, debt securities or other equity securities of the Corporation (or a combination thereof) all as provided in the Rights Agreement.

This Rights Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, the Corporation and the holders of the Rights. Copies of the Rights Agreement are on file at the registered head office of the Corporation and are available upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights entitling the holder to purchase a like aggregate number of Common Shares as the Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate shall be exercised in part, the registered holder shall be entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Rights Certificate may be, and under certain circumstances are required to be, redeemed by the Corporation at a redemption price of $0.000001 per Right.

No fractional Common Shares will be issued upon the exercise of any Right or Rights evidenced hereby.

No holder of this Rights Certificate, as such, shall be entitled to vote, receive dividends or be deemed for any purpose the holder of Common Shares or of any other securities of the Corporation which may at any time be issuable upon the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof any of the rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders of the Corporation at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders of the Corporation (except as expressly provided in the Rights Agreement), or to receive dividends, distributions or subscription rights, or otherwise until the Rights evidenced by this Rights Certificate shall have been exercised as provided in the Rights Agreement.

This Rights Certificate shall not be valid or obligatory for any purpose until it shall have been manually countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Corporation.

Dated ______________________

NEO PERFORMANCE MATERIALS INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________
Authorized Signing Officer

COMPUTERSHARE INVESTOR SERVICES INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________
Authorized Signing Officer

(To be attached to each Rights Certificate)

FORM OF ELECTION TO EXERCISE

TO: NEO PERFORMANCE MATERIALS INC.

AND TO: COMPUTERSHARE INVESTOR SERVICES INC.

The undersigned hereby irrevocably elects to exercise __________ whole Rights represented by the attached Rights Certificate to purchase the Common Shares issuable upon the exercise of such Rights and requests that certificates for such Common Shares be issued to:

____
(NAME)

____
(ADDRESS)

____
(CITY AND PROVINCE OR STATE)

If such number of Rights shall not be all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

____
(NAME)

____
(ADDRESS)

____
(CITY AND PROVINCE OR STATE)

____
SOCIAL INSURANCE, SOCIAL SECURITY OR OTHER TAXPAYER NUMBER

Dated ____________________________

Signature Guaranteed

____
Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a schedule I Canadian chartered bank, a member of a recognized stock exchange or a member of a recognized Medallion Program.

To be completed if true

The undersigned hereby represents, for the benefit of all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or any Person acting jointly or in concert with any of the foregoing or any Affiliate or Associate of such Person (as defined in the Rights Agreement).

____
Signature

NOTICE

In the event the certification set forth in the Form of Election to Exercise is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement).

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Rights Certificate)

FOR VALUE RECEIVED ____ hereby sells,

assigns and transfers unto ____
(Please print name and address of transferee)

the Rights represented by this Rights Certificate, together with all right, title and interest therein and does hereby irrevocably constitute and appoint ______________________________ as attorney to transfer the within Rights on the books of the Corporation, with full power of substitution.

Dated ___________________________

Signature Guaranteed

____
Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a schedule I Canadian chartered bank, a member of a recognized stock exchange or a member of a recognized Medallion Program.

To be completed if true

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or any other Person acting jointly or in concert with any of the foregoing or any Affiliate or Associate of such Person (as such terms are defined in the Rights Agreement).

____
Signature

NOTICE

In the event the certification set forth in the Form of Assignment is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement) and accordingly such Rights will be null and void.

APPENDIX "H"
Blackline of the Second Amended & Restated Shareholder Rights Plan

NEO PERFORMANCE MATERIALS INC.

and

COMPUTERSHARE INVESTOR SERVICES INC.

as Rights Agent

SECOND AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

June ~~8~~17, ~~2023~~2026

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SECOND AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

THIS AGREEMENT was entered into as of the 20th day of September, 2022, ~~and~~ amended and restated as of the 8th day of June, 2023, and further amended and restated as of the 17th day of June, 2026.

BETWEEN:

~~Neo Performance Materials Inc~~**NEO PERFORMANCE MATERIALS INC.**, a corporation existing under the laws of Ontario

(the "**Corporation**")

AND:

COMPUTERSHARE INVESTOR SERVICES INC., a trust company existing under the laws of Canada and authorized to carry on the business of a trust company in each of the Provinces and Territories of Canada, as rights agent

(the "**Rights Agent**", which term shall include any successor Rights Agent hereunder)

WHEREAS the Board of Directors of the Corporation determined that it was advisable and in the best interests of the Corporation to adopt and maintain a shareholder rights plan by adopting a shareholder rights plan agreement dated September 20, 2022 (the "**Original Agreement**") in order to ensure, to the extent possible: (i) the fair treatment of shareholders of the Corporation in connection with any Offer to Acquire Voting Shares, including in connection with any "creeping" acquisition of Voting Shares or any other Offer to Acquire Voting Shares that is exempt from the take-over bid regime under NI 62-104; and (ii) that the Board of Directors has the opportunity to identify, solicit, develop and negotiate value-enhancing alternatives, as appropriate, to any unsolicited Offer to Acquire Voting Shares;

WHEREAS the Corporation amended and restated the Original Agreement pursuant to an amended and restated shareholder rights plan agreement dated June 8, 2023 (together with the Original Agreement, the "**First Amended and Restated Agreement**").

WHEREAS the Board of Directors of the Corporation authorized the Corporation to seek the consent and approval of the shareholders of the Corporation to amend and restate the ~~Original~~First Amended and Restated Agreement, substantially in the form and on the terms provided for in this Agreement, which consent and approval was obtained by the affirmative vote of a majority of the votes cast by the shareholders of the Corporation (other than such shareholders of the Corporation who did not qualify as Independent Shareholders (as hereinafter defined)) on an ordinary resolution that was duly passed at an annual and special meeting of shareholders of the Corporation held on June ~~8~~17, ~~2023~~2026;

WHEREAS the Board of Directors of the Corporation has determined that it is advisable and in the best interests of the Corporation to implement an amended and restated shareholder rights plan as contemplated herein and the Board of Directors of the Corporation has authorized the issuance of one Right: (i) effective at the Record Time in respect of each Common Share outstanding at the Record Time; and (ii) in respect of each Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time; and

WHEREAS each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth herein;

WHEREAS the Corporation desires to reappoint the Rights Agent to act on behalf of the Corporation, and the Rights Agent is willing to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates, the exercise of Rights and other matters referred to herein; and

WHEREAS the ~~Original~~First Amended and Restated Agreement is hereby amended and restated as provided in this Agreement and confirmed in accordance with the terms hereof;

NOW THEREFORE, in consideration of the foregoing premises and the respective covenants and agreements set forth herein, the parties hereby agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Certain Definitions.

For purposes of this Agreement, the following terms have the meanings indicated:

(a) "**Acquiring Person**" means any Person who is or becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares; provided, however, that the term "**Acquiring Person**" shall not include:

(i) the Corporation or any Subsidiary of the Corporation;

(ii) any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of one or any combination of: (A) a Voting Share Reduction; (B) Permitted Bid Acquisitions; (C) Pro Rata Acquisitions; (D) Exempt Acquisitions; or (E) Convertible Security Acquisitions; provided, however, that if a Person shall become the Beneficial Owner of 20% or more of the then outstanding Voting Shares by reason of one or more or any combination of (A), (B), (C), (D) or (E) above and, while such Person is the Beneficial Owner of 20% or more of the Voting Shares then outstanding, such Person's Beneficial Ownership of Voting Shares thereafter increases by more than 1% or more of the then outstanding Voting Shares (other than pursuant to one or any combination of (A), (B), (C), (D) or (E) above), then as of the date such Person becomes the Beneficial Owner of such additional Voting Shares, such Person shall become an Acquiring Person;

(iii) for a period of 10 days after the Disqualification Date (as hereinafter defined), any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of such Person becoming disqualified from relying on Section 1.1(e)(vi) solely because such Person makes or announces an intention to make a ~~Take-over~~Take-Over Bid, either alone, or by acting jointly or in concert with any other Person. For the purpose of this definition, "**Disqualification Date**" means the first date of public announcement of facts indicating that such Person is making or intends to make a ~~Take-over bid~~Take-Over Bid, either alone or by acting jointly or in concert with any other Person;

(iv) an underwriter or member of a banking or selling group acting in such capacity that becomes the Beneficial Owner of 20% or more of the Voting Shares from the Corporation in connection with a distribution of securities pursuant to a prospectus or by way of private placement; and

(v) a Grandfathered Person, provided, however, that if after the Record Time such Grandfathered Person becomes the Beneficial Owner (other than pursuant to any one or a combination of a Voting Share Reduction, Permitted Bid Acquisition, Pro Rata Acquisition, Exempt Acquisition or Convertible Security Acquisition) of additional Voting Shares constituting more than 1% of the number of Voting Shares then outstanding, then as of the date and time such Grandfathered Person becomes the Beneficial Owner of such additional Voting Shares, such Grandfathered Person shall become an Acquiring Person.

(b) "**Affiliate**" when used to indicate a relationship with a specified Person, means a Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person.

(c) "**Agreement**" means this agreement as amended, modified or supplemented from time to time.

(d) "**Associate**" when used to indicate a relationship with a specified Person, means (i) a spouse of such specified Person, (ii) any Person of the same or opposite sex with whom such specified Person is living in a conjugal relationship outside marriage, or (iii) a relative of such specified Person or of a Person mentioned in clause (i) or (ii) of this definition if that relative has the same residence as the specified Person.

(e) A Person shall be deemed the "**Beneficial Owner**" of, and to have "**Beneficial Ownership**" of, and to "**Beneficially Own**":

(i) any securities of which such Person or any Affiliate or Associate of such Person is the beneficial owner at law or in equity, directly or indirectly;

(ii) any securities as to which such Person or any Affiliate or Associate of such Person has the right or the obligation to acquire or become the owner at law or in equity, upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrants or options or pursuant to any agreement, arrangement, pledge or understanding, whether or not in writing (in each case where such right is exercisable immediately or within 60 days of the date of determination of Beneficial Ownership, and whether or not upon conditions or subject to the occurrence of a contingency), other than pursuant to any:

(A) customary agreements with and between the Corporation and underwriters and banking or selling group members with respect to a distribution of securities by prospectus or private placement or otherwise;

(B) pledges of securities in the ordinary course of business of the pledgee's business; or

(C) agreements between the Corporation and any Person pursuant to an amalgamation, merger, arrangement, business combination or other similar transaction (statutory or otherwise, but for greater certainty not including a Take-over Bid) that is conditional upon the approval of the shareholders of the Corporation to be obtained prior to such Person acquiring such securities;~~ and~~

(iii) any securities which are subject to a lock-up or similar agreement to tender or deposit them into any ~~Take-over~~Take-Over Bid made by such Person or made by any Affiliate or Associate of such Person or made by any other person acting jointly or in concert with such Person; or

(iv) any securities that are Beneficially Owned within the meaning of the foregoing provisions of subsections Section 1.1(e)(i), Section 1.1(e)(ii) or Section 1.1(e)(iii) above by any other Person with whom such Person is acting jointly or in concert;

provided, however, that a Person shall not be deemed the "**Beneficial Owner**" of, or to have "**Beneficial Ownership**" of, or to "**Beneficially Own**", any security solely by reason of any one or more of the following circumstances:

(v) such security has been agreed to be deposited or tendered pursuant to a Permitted ~~Lock-up~~Lock-Up Agreement or is otherwise deposited or tendered pursuant to any ~~Take-over~~Take-Over Bid made by such Person, made by any of such Person's Affiliates or Associates or made by any other Person acting jointly or in concert with such Person, but only until such time as such deposited or tendered security has been taken up or paid for, whichever shall occur first;

(vi) such Person, for greater certainty holding such security in the ordinary course of such Person's business, holds such security, provided that:

(A) the ordinary business of that Person (an "**Investment Manager**") includes the management of pension or mutual or investment funds for others (which others, for greater certainty, may include or be limited to one or more employee benefit plans or pension plans) and such security is held by the Investment Manager in the ordinary course of such business in the performance of such Investment Manager's duties for the account of any other Person (a "**Client**") including non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable laws;

(B) such Person (the "**Trust Company**") is licensed to carry on the business of a trust company under applicable law and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each, an "**Estate Account**") or in relation to other accounts (each, an "**Other Account**") and holds such security in the ordinary course of such duties for such Estate Accounts or for such Other Accounts;

(C) such Person (the "**Statutory Body**") is an independent Person established by statute for purposes that include, and the ordinary business or activity of such Person includes, the management of investment funds for employee benefit plans, pension plans, insurance plans of various public bodies and the Statutory Body holds such security for the purposes of its activities as such; or

(D) such Person (the "**Plan Administrator**") is the administrator or the trustee of one or more pension funds or plans registered under the laws of Canada or any province thereof or the United States or any state thereof (each, a "**Plan**"), or is a Plan;

provided, however, that in any of the foregoing cases, the Investment Manager, the Trust Company, the Statutory Body, the Plan Administrator~~, the~~ or a Plan ~~or the Securities Depository~~, as the case may be, is not then making or has not announced an intention to make, a ~~Take-over~~Take-Over Bid, or is not then acting jointly or in concert with any other Person who is making a ~~Take-over~~Take-Over Bid or who has announced an intention to make a ~~Take-over~~Take-Over Bid, other than an Offer to Acquire Voting Shares or other securities of the Corporation (X) by means of a Permitted Bid or a Competing Permitted Bid, or (Y) by means of ordinary market transactions made in the ordinary course of business of such Person (including pre-arranged trades entered into in the ordinary course of business of such Person) executed through the facilities of a stock exchange, securities quotation system or an organized over-the-counter market;

(vii) such Person is (A) a Client of the same Investment Manager as another Person on whose account the Investment Manager holds such security, (B) an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security or (C) a Plan with the same ~~Administrator~~administrator as another Plan on whose account the Administrator holds such security; or

(viii) such Person is (A) a Client of an Investment Manager and such security is owned at law or in equity by the Investment Manager, (B) an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company or (C) a Plan and such security is owned at law or in equity by the Administrator of the Plan; or

(ix) such Person is a registered holder of securities as a result of carrying on the business of, or acting as a nominee of, a securities depository.

(f) "**Board of Directors**" means, at any time, the duly constituted board of directors of the Corporation or, if duly constituted and whenever duly empowered, any committee of the board of directors of the ~~Company~~Corporation.

(g) "**Business Day**" means any day other than a Saturday, Sunday or a day on which banking institutions in Toronto, Ontario are authorized or obligated by law to close.

(h) "**Canadian Dollar Equivalent**" of any amount which is expressed in United States dollars shall mean on any date the Canadian dollar equivalent of such amount determined by reference to the U.S.-Canadian Exchange Rate in effect on such date.

(i) "**close of business**" on any given date means the time on such date (or, if such date is not a Business Day, the time on the next succeeding Business Day) at which the office of the transfer agent for the Common Shares in the City of Toronto (or, after the Separation Time, the office of the Rights Agent in the City of Toronto) is closed to the public in the city in which such transfer agent or Rights Agent has an office for the purposes of this Agreement; provided, however, that for the purposes of the definitions of "**Competing Permitted Bid**" and "**Permitted Bid**", "**close of business**" on any day means 11:59 p.m. (local time at the place of deposit) on such day (or, if such day is not a Business Day, 11:59 p.m. (local time at the place of deposit) on the next succeeding Business Day).

(j) "**Common Shares**", when used with reference to the Corporation, means the common shares in the capital of the Corporation as constituted on the Effective Date and any other share of the Corporation into which such common share may be subdivided, consolidated, reclassified or changed.

(k) "**Competing Permitted Bid**" means a ~~Take-over~~Take-Over Bid that is made by means of a ~~Take-over Bid~~take-over bid circular and which also complies with the following additional provisions:

(i) is made after a Permitted Bid or another Competing Permitted Bid (each such Permitted Bid or Competing Permitted Bid being in this definition, the "**Prior Bid**") has been made and prior to the expiry, termination or withdrawal of such Prior Bid;

(ii) satisfies all the components of the definition of a Permitted Bid provided that it is not required to satisfy the requirement set forth in subsection (ii)(A) thereof; and

(iii) contains, and the take up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares shall be taken up or paid for pursuant to such ~~Take-over~~Take-Over Bid prior to the close of business on the last day of the minimum initial deposit period that such ~~Take-over~~Take-Over Bid must remain open for deposits of securities thereunder pursuant to NI 62-104 after the date of the Take-Over Bid constituting the Competing Permitted Bid;

provided, however, that a Competing Permitted Bid will cease to be a Competing Permitted Bid at any time when such bid ceases to meet any of the requirements of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such Competing Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition.

(l) "**controlled**": a Person is "controlled" by another Person or two or more Persons acting jointly or in concert if:

(i) in the case of a body corporate, securities entitled to vote in the election of directors of such body corporate carrying more than 50% of the votes for the election of the directors are held, directly or indirectly, by or for the benefit of the other Person or Persons and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of such corporation; or

(ii) in the case of a Person which is not a body corporate, more than 50% of the voting interests of such entity are held, directly or indirectly, by or for the benefit of the other Person or Persons;

and "**controls**", "**controlling**" and "**under common control with**" shall be interpreted accordingly.

(m) "**Convertible Security**" means at any time:

(i) any right (regardless of whether such right constitutes a security) to acquire Voting Shares from the Corporation; and

(ii) any securities issued by the Corporation from time to time (other than the Rights) carrying any exercise, conversion or exchange right;

in each case pursuant to which the holder thereof may acquire Voting Shares or other securities which are convertible into or exercisable or exchangeable for Voting Shares (whether such right is exercisable immediately or exercisable after a specified period and whether or not on condition or the happening of any contingency).

(n) "**Convertible Security Acquisition**" means the acquisition of Voting Shares by a Person upon the purchase, exercise, conversion or exchange of Convertible Securities acquired or received by such Person pursuant to a Permitted Bid Acquisition, an Exempt Acquisition or a Pro Rata Acquisition.

(o) "**Disposition Date**" has the meaning ascribed thereto in Section 5.1(d).

(p) "**Disqualification Date**" has the meaning ascribed thereto in Section 1.1(a)(iii).

(q) "**Dividend Reinvestment Plan**" means a regular dividend reinvestment or other plan of the Corporation made available by the Corporation to holders of its Voting Shares where such plan permits the holder to direct that some or all of:

(i) dividends paid in respect of Voting Shares;

(ii) proceeds of redemption of Voting Shares;

(iii) interest paid on evidences of indebtedness of the Corporation; or

(iv) optional cash payments;

be applied to the purchase from the Corporation of Voting Shares;

(r) "**Effective Date**" has the meaning ascribed thereto in Section 5.13.

(s) "**Election to Exercise**" has the meaning ascribed thereto in Section 2.2(d).

(t) "**Exempt Acquisition**" means an acquisition of Voting Shares or Convertible Securities:

(i) in respect of which the Board of Directors has waived the application of Section 3.1 hereof pursuant to the provisions of Section 5.1 hereof;

(ii) pursuant to a Dividend Reinvestment Plan;

(iii) made as an intermediate step in a series of related transactions in connection with an acquisition by the Corporation or its Subsidiaries of a Person or assets, provided that the Person who acquires such securities distributes or is deemed to distribute such securities to its security holders within 10 Business Days of the completion of such acquisition, and following such distribution no Person has become the Beneficial Owner of 20% or more of the Corporation's then-outstanding Common Shares;

(iv) pursuant to a distribution to the public by the Corporation of Voting Shares or Convertible Securities made pursuant to a prospectus provided that the Person in question does not thereby acquire a greater percentage of Voting Shares or Convertible Securities representing the right to acquire Voting Shares than the percentage of Voting Shares such Person Beneficially Owned immediately prior to such acquisition;

(v) pursuant to an issuance and sale by the Corporation of Voting Shares or Convertible Securities by way of a private placement by the Corporation, provided that: (A) all necessary stock exchange approvals for such private placement have been obtained and such private placement complies with the terms and conditions of such approvals; and (B) such Person does not become the Beneficial Owner of Voting Shares representing more than twenty-five percent (25%) of the Voting Shares outstanding immediately prior to such private placement, and, in making this determination, the Voting Shares to be issued to such Person in such private placement will be deemed to be held by such Person but will not be included in the aggregate number of Voting Shares outstanding immediately prior to such private placement; or

(vi) pursuant to an amalgamation, merger, arrangement, business combination or other similar transaction (statutory or otherwise, but for greater certainty not including a ~~Take-over~~Take-Over Bid) requiring approval by shareholders of the Corporation.

(u) "**Exercise Price**" means, as of any date, the price at which a holder of a Right may purchase the securities issuable upon exercise of one whole Right which, until adjustment thereof in accordance with the terms hereof, the Exercise Price shall be:

(i) until the Separation Time, an amount equal to five times the Market Price, from time to time, per Voting Share; and

(ii) from and after Separation Time, an amount equal to five times the Market Price, as at the Separation Time, per Voting Share.

(v) "**Expiration Time**" means the close of business on that date that is the earliest of (i) the Termination Time, and (ii) the date of termination of this Agreement pursuant to Section 5.13 or, if this Agreement is confirmed pursuant to Section 5.13, the close of business on the third anniversary of the date hereof.

(w) "**First Amended and Restated Agreement**" has the meaning ascribed thereto in the recitals of this Agreement.

(x) ~~(w)~~ "~~**Flip-in**~~**Flip-In Event**" means a transaction or event in or pursuant to which any Person becomes an Acquiring Person.

(y) ~~(x)~~ "**Grandfathered Person**" means any Person who is the Beneficial Owner of 20% or more of the then outstanding Voting Shares as determined at the Record Time; provided, however, that for the purposes of this definition a Person shall cease to be a Grandfathered Person in the event that such Person shall, after the Record Time, cease to Beneficially Own 20% or more of the then outstanding Voting Shares.

(z) ~~(y)~~ "**Independent Shareholders**" means holders of then outstanding Voting Shares, but shall not include:

(i) any Acquiring Person;

(ii) any Offeror, other than a Person referred to in Section 1.1(e)(vi);

(iii) any Affiliate or Associate of such Acquiring Person or Offeror;

(iv) any Person acting jointly or in concert with such Acquiring Person or Offeror; or

(v) any employee benefit plan, share purchase plan, deferred profit sharing plan or other similar plan or trust for the benefit of employees of the Corporation or a Subsidiary of the Corporation (unless the beneficiaries of such plan or trust direct the manner in which such Voting Shares are to be voted or direct whether the Voting Shares are to be deposited or tendered to a ~~Take-over~~Take-Over Bid, in which case such plan or trust shall be considered to be an Independent Shareholder).

(aa) ~~(z)~~ "~~**Lock-up**~~**Lock-Up Bid**" has the meaning ascribed thereto in ~~Section 1.1(kk)~~Section 1.1(ll).

(bb) ~~(aa) "**Locked-up**~~"**Locked-Up Person**" has the meaning ascribed thereto in ~~Section 1.1(kk)~~Section 1.1(ll).

(cc) ~~(bb)~~ "**Market Price**" per security of any securities on any date of determination shall mean the average of the daily closing prices per security of such securities (determined as described below) on each of the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date; provided, however, that if an event of a type analogous to any of the events described in Section 2.3 shall have caused the closing prices used to determine the Market Price on any Trading Day not to be fully comparable with the closing price on such date of determination (or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day), each such closing price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 in order to make it fully comparable with the closing price on such date of determination (or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day). The closing price per security of any securities on any date shall be:

(i) the closing board lot sale price or, if such price is not available, the average of the closing bid and asked prices, for each of such securities as reported by the principal stock exchange or national securities quotation system on which such securities are listed or admitted to trading (provided that, if at the date of determination such securities are listed or admitted to trading on more than one stock exchange or national securities quotation system, then such price or prices shall be determined based upon the stock exchange or quotation system on which such securities are then listed or admitted to trading on which the largest number of such securities were traded during the most recently completed calendar year);

(ii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system, then the last sale price, or in case no sale takes place on such date, the average of the high bid and low asked prices for each such securities in the over-the-counter market, as quoted by any reporting system then in use; or

(iii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system or quoted by any such reporting system, then the average of the closing bid and asked prices as furnished by a professional market maker making a market in the securities selected in good faith by the Board of Directors;

provided, however, that: (A) if for any reason none of such prices are available on such date, then the "**closing price per security**" of such securities on such date shall mean the fair value per security of the securities on such date as determined by a nationally or internationally recognized investment dealer or investment banker selected by the Board of Directors with respect to the fair value per security of such securities; and (B) if the closing price per security so determined is expressed in United States dollars, then such amount shall be converted to the Canadian Dollar Equivalent.

(dd) ~~(cc)~~ "**NI 62-104**" means National Instrument 62-104 – Take-Over Bids and Issuer Bids.

(ee) ~~(dd)~~ "**OBCA**" shall mean the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended and the regulations thereunder, as from time to time in effect.

(ff) ~~(ee)~~ "**Offer to Acquire**" shall include:

(i) ~~(i)~~ an offer to purchase or a solicitation of an offer to sell, or a public announcement of an intention to make such an offer or solicitation; and

(ii) ~~(ii)~~ an acceptance of an offer to sell, whether or not such offer to sell has been solicited;

or any combination thereof, and the Person accepting an offer to sell shall be deemed to be making an Offer to Acquire to the Person that made the offer to sell.

(gg) ~~(ff)~~ "**Offeror**" means a Person who has announced an intention to make, or who is making, a ~~Take-over~~Take-Over Bid, but excluding that Person if the ~~Take-over~~Take-Over Bid so announced or made by that Person has been withdrawn, has terminated or has expired.

(hh) ~~(gg)~~ "**Offeror's Securities**" means the aggregate of the Voting Shares Beneficially Owned by an Offeror on the date of the Offer to Acquire.

(ii) ~~(hh)~~ "**Original Agreement**" has the meaning ascribed thereto in the recitals to this Agreement.

(jj) ~~(ii)~~ "**Permitted Bid**" means a ~~Take-over~~Take-Over Bid made by a Person by means of a ~~Take-over Bid~~take-over bid circular and which also complies with the following additional provisions:

(i) the ~~Take-over~~Take-Over Bid is made to all holders of Voting Shares (other than the Offeror and its Affiliates);

(ii) the ~~Take-over~~Take-Over Bid contains, and the take-up and payment for securities tendered or deposited thereunder are subject to, an irrevocable and unqualified condition that no securities shall be taken up or paid for pursuant to the ~~Take-over~~Take-Over Bid:

(A) prior to the close of business on the date which is not less than one hundred and five (105) days following the date of the ~~Take-over~~Take-Over Bid or such shorter minimum period as determined in accordance with section 2.28.2 or section 2.28.3 of NI 62-104 for which a ~~Take-over~~Take-Over Bid (that is not exempt from any of the requirements of division 5 (Bid Mechanics) of NI 62-104) must remain open for deposit of securities thereunder; and

(B) unless, at the close of business on such date in (A), more than 50% of the then outstanding Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the ~~Take-over~~Take-Over Bid and have not been withdrawn;

(iii) the ~~Take-over~~Take-Over Bid contains an irrevocable and unqualified provision that securities may be deposited pursuant to such ~~Take-over~~Take-Over Bid at any time during the period of time described in ~~Section 1.1(ii)(ii)(A)~~Section 1.1(jj)(ii)(A) above and during any extension of such ~~Take-over~~Take-Over Bid and any securities deposited pursuant to the ~~Take-over~~Take-Over Bid may be withdrawn until taken up and paid for; and

(iv) the ~~Take-over~~Take-Over Bid contains an irrevocable and unqualified provision that if the requirement set forth in ~~Section 1.1(ii)(ii)(B)~~Section 1.1(jj)(ii)(B) is satisfied and such securities are taken up by the Offeror, the Offeror will make a public announcement of that fact and the ~~Take-over~~Take-Over Bid will remain open for deposits and tenders of Voting Shares for not less than 10 days from the date of such public announcement;

provided, however, that a ~~Take-over~~Take-Over Bid that qualified as a Permitted Bid ceases to be a Permitted Bid at any time and as soon as such time when such ~~Take-over~~Take-Over Bid ceases to meet any or all of the provisions of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such

Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition.

(kk) ~~(jj)~~ "**Permitted Bid Acquisitions**" means an acquisition of Voting Shares made pursuant to a Permitted Bid or a Competing Permitted Bid.

(ll) ~~(kk)~~ "**Permitted Lock-Up Agreement**" means an agreement (the "**Lock-Up Agreement**") between a Person and one or more holders of Voting Shares and/or Convertible Securities (each a "**Locked-Up Person**") pursuant to which such Locked-Up Person agrees to deposit or tender Voting Shares and/or Convertible Securities to a ~~Take-over~~Take-Over Bid (the "**Lock-Up Bid**") made or to be made by such Person, any of such Person's Affiliates or Associates or any other Person referred to in Section 1.1(e)(iv); provided that:

(i) the terms of such Lock-Up Agreement are publicly disclosed and a copy is made available to the public (including the Corporation) not later than the date of the Lock-Up Bid or, if the Lock-Up Bid has been made prior to the date on which such Lock-Up Agreement is entered into, not later than the date of such Lock-Up Agreement (or, if the agreement was entered into after the date of the ~~Lock-up~~Lock-Up Bid, as soon as possible after it is entered into and in any event not later than the date following the date of such agreement);

(ii) the Lock-Up Agreement permits such Locked-Up Person to terminate its obligation to deposit or tender to or not to withdraw Voting Shares and/or Convertible Securities from the Lock-Up Bid, and to terminate any obligation with respect to the voting of such securities, in order to deposit or tender such securities to another ~~Take-over~~Take-Over Bid or to support another transaction:

(A) where the price or value of the consideration per Voting Share or Convertible Security offered under such other ~~Take-over~~Take-Over Bid or transaction:

(X) exceeds the price or value of the consideration per Voting Share and/or Convertible Security offered under the Lock-Up Bid; or

(Y) exceeds by as much as or more than a specified amount (the "**Specified Amount**") the price or value of the consideration per Voting Share or Convertible Security at which the Locked-Up Person has agreed to deposit or tender Voting Shares and/or Convertible Securities to the Lock-Up Bid, provided that such Specified Amount is not greater than 7% of the price or value of the consideration per Voting Share or Convertible Security offered under the Lock-Up Bid; and

(B) if the number of Voting Shares or Convertible Securities offered to be purchased under the Lock-Up Bid is less than 100% of the Voting Shares or Convertible Securities held by Independent Shareholders, where the price or value of the consideration per Voting Share or Convertible Security offered under such other ~~Take-over~~Take-Over Bid or transaction is not less than the price or value of the consideration per Voting Share or Convertible Security offered under the Lock-Up Bid and the number of Voting Shares and/or Convertible Securities to be purchased under such other ~~Take-over~~Take-Over Bid or transaction:

(X) exceeds the number of Voting Shares and/or Convertible Securities that the Offeror has offered to purchase under the Lock-Up Bid; or

(Y) exceeds by as much as or more than a specified number (the "**Specified Number**") the number of Voting Shares or Convertible Securities that the Offeror has offered to purchase under the Lock-Up Bid, provided that the Specified Number is not greater than 7% of the number of Voting Shares or Convertible Securities offered to be purchased under the Lock- Up Bid;

and for greater certainty, such Lock-Up Agreement may contain a right of first refusal or require a period of delay to give the Offeror under the Lock-Up Bid an opportunity to match the higher price, value or number in such other ~~Take-over~~Take-Over Bid or transaction, or other similar limitation on a Locked-Up Person's right to withdraw Voting Shares from the Lock-Up Agreement, so long as the limitation does not preclude the exercise by the Locked-Up Person of the right to withdraw Voting Shares and/or Convertible Securities in sufficient time to deposit or tender to the other ~~Take-over~~Take-Over Bid or support the other transaction; and

(iii) no "**break-up**" fees, "**top-up**" fees, penalties, expenses or other amounts that exceed in the aggregate the greater of:

(A) the cash equivalent of 2.5% of the price or value of the consideration payable under the Lock-Up Bid to a Locked-Up Person; and

(B) 50% of the amount by which the price or value of the consideration payable under another ~~Take-over~~Take-Over Bid or other transaction to a Locked-Up Person exceeds the price or value of the consideration that such Locked-Up Person would have received under the Lock-Up Bid;

shall be payable by a Locked-Up Person pursuant to the Lock-Up Agreement in the event that the Locked-Up Bid is not successfully concluded or if any Locked-Up Person fails to deposit or tender Voting Shares and/or Convertible Securities to the Lock-Up Bid or withdraws Voting Shares and/or Convertible Securities previously deposited or tendered thereto in order to deposit or tender to another ~~Take-over~~Take-Over Bid or support another transaction.

(mm) ~~(ll)~~ "**Person**" shall include any individual, firm, partnership, limited partnership, limited liability company or partnership, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning.

(nn) ~~(mm)~~ "**Privacy Laws**" has the meaning ascribed thereto in Section 4.6;

(oo) ~~(nn)~~ "**Pro Rata Acquisition**" means the acquisition of Voting Shares pursuant to:

(i) a stock dividend, a stock split or other event pursuant to which such Person receives or acquires Voting Shares and/or Convertible Securities on the same pro rata basis as all other holders of Voting Shares and/or Convertible Securities of the same class or series (other than holders resident in a jurisdiction where a distribution is restricted or impracticable as a result of applicable law); or

(ii) any other event pursuant to which all holders of Voting Shares and/or Convertible Securities (other than holders resident in a jurisdiction where a distribution is restricted or impracticable as a result of applicable law) are entitled to receive Voting Shares and/or Convertible Securities on the same pro rata basis as all other holders of Voting Shares and/or Convertible Securities of the same class or series, including pursuant to the receipt and/or exercise of rights (other than the Rights) issued by the Corporation and distributed to all holders of a series or class of Voting Shares and/or Convertible Securities to subscribe for or purchase Voting Shares and/or Convertible Securities of the Corporation on a pro rata basis, provided that such rights are acquired directly from the Corporation and not from any other Person; and further provided that such Person does not thereby become the Beneficial Owner of a greater percentage of Voting Shares than the percentage of Voting Shares Beneficially Owned by such Person immediately prior to such acquisition.

(pp) ~~(oo)~~ "**Record Time**" means 5:00 p.m. (Toronto time) on June ~~8~~17, ~~2023~~2026.

(qq) ~~(pp)~~ "**Redemption Price**" has the meaning ascribed thereto in Section 5.1.

(rr) ~~(qq)~~ "**regular periodic cash dividends**" means cash dividends paid at regular intervals in any fiscal year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greater of:

(i) 100% of the aggregate consolidated net income of the Corporation, before extraordinary items, for its immediately preceding fiscal year;

(ii) 200% of the aggregate amount of cash dividends declared payable by the Corporation on its Common Shares in its immediately preceding fiscal year; and

(iii) 300% of the arithmetic mean of the aggregate amounts of cash dividends declared payable by the Corporation on its Common Shares in its three immediately preceding fiscal years divided by the arithmetic mean of the number of Common Shares outstanding as at the end of each of such fiscal years.

(ss) ~~(rr)~~ "**Right**" means a right issued pursuant to this Agreement.

(tt) ~~(ss)~~ "**Rights Certificate**" has the meaning ascribed thereto in Section 2.2(c).

(uu) ~~(tt)~~ "**Rights Register**" has the meaning ascribed thereto in Section 2.6(a).

(vv) ~~(uu)~~ "**Securities Act**" means the *Securities Act* (Ontario), as amended, and the regulations and rules made thereunder, as from time to time in effect.

(ww) ~~(vv)~~ "**Separation Time**" means the close of business on the 10th Trading Day after the earlier of:

(i) the Stock Acquisition Date;

(ii) the date of the commencement of, or first public announcement or disclosure of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a ~~Take-over~~Take-Over Bid (other than a Permitted Bid or Competing Permitted Bid so long as such ~~Take-over~~Take-Over Bid continues to satisfy the requirements of a Permitted Bid or Competing Permitted Bid); and

(iii) the date on which a Permitted Bid or Competing Permitted Bid ceases to be a Permitted Bid or Competing Permitted Bid, as applicable;

or, in each case, such later date as may be determined by the Board of Directors; provided that, if any ~~Take-over~~Take-Over Bid referred to in subsection (ii) of this ~~Section 1.1(vv)~~Section 1.1(ww) or any Permitted Bid or Competing Permitted Bid referred to in subsection (iii) of this ~~Section 1.1(vv)~~Section 1.1(ww) expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such ~~Take-over~~Take-Over Bid, Permitted Bid or Competing Permitted Bid, as the case may be, shall be deemed, for the purposes of this ~~Section 1.1(vv)~~Section 1.1(ww), never to have been made and provided further that if the Board of Directors determines pursuant to Section 5.1 to waive the application of Section 3.1 to a ~~Flip-in~~Flip-In Event, the Separation Time in respect of such ~~Flip-in~~Flip-In Event shall be deemed never to have occurred.

(xx) ~~(ww)~~ "**Specified Amount**" has the meaning ascribed thereto in ~~Section 1.1(kk)~~Section 1.1(ll).

(yy) ~~(xx)~~ "**Specified Number**~~ **of Shares**~~" has the meaning ascribed thereto in ~~Section 1.1(kk)~~Section 1.1(ll).

(zz) ~~(yy)~~ "**Stock Acquisition Date**" means the first date of public announcement or disclosure by the Corporation or an Acquiring Person or Offeror of facts indicating that a Person has become an Acquiring Person, which, for the purposes of this definition, shall include, without limitation, a report filed pursuant to Part 5 of NI 62-104, an early warning report filed pursuant to the Securities Act or, if applicable, a report filed pursuant to Section 13(d) under the Securities Exchange Act of 1934 of the United States, or a report filed pursuant to other applicable laws, announcing or disclosing such information.

(aaa) ~~(zz)~~ "**Subsidiary**": a Person shall be deemed to be a Subsidiary of another Person if:

(i) it is controlled by:

(A) that other;

(B) that other and one or more Persons each of which is controlled by that other; or

(C) two or more Persons each of which is controlled by that other; or

(ii) it is a Subsidiary of a Person that is that other's Subsidiary.

(bbb) ~~(aaa) "Take-over~~"**Take-Over Bid**" means an Offer to Acquire Voting Shares or Convertible Securities (or both) where the securities subject to the Offer to Acquire, together with the Voting Shares into or for which the securities subject to the Offer to Acquire are convertible, exchangeable or exercisable, together with the Offeror's Securities, constitute in the aggregate 20% or more of the outstanding Voting Shares at the date of the Offer to Acquire.

(ccc) ~~(bbb)~~ "**Termination Time**" means the time at which the right to exercise Rights shall terminate pursuant to Section 5.1.

(ddd) ~~(ccc)~~ "**Trading Day**", when used with respect to any securities, means a day on which the securities exchange or national securities quotation system on which such securities are listed or admitted for trading on which the largest number of such securities were traded during the most recently completed calendar year is open for the transaction of business or, if the securities are not listed or admitted to trading on any securities exchange or national securities quotation system, a Business Day.

(eee) ~~(ddd)~~ "**U.S.-Canadian Exchange Rate**" shall mean on any date: (i) if on such date the Bank of Canada sets an average noon spot rate of exchange for the conversion of one United States dollar into Canadian dollars, such rate; and (ii) in any other case, the rate for such date for the conversion of one United States dollar into Canadian dollars which is calculated in the manner which shall be determined by the Board of Directors from time to time acting in good faith.

(fff) ~~(eee)~~ "**Voting Share Reduction**" means an acquisition by the Corporation or a Subsidiary of the Corporation or the redemption by the Corporation of Voting Shares and/or Convertible Securities which, by reducing the number of Voting Shares and/or Convertible Securities outstanding, increases the percentage of outstanding Voting Shares Beneficially Owned by any Person.

(ggg) ~~(fff)~~ "**Voting Shares**" means the Common Shares and any other shares of capital stock or voting interests of the Corporation entitled to vote generally in the election of all directors of the Corporation.

Section 1.2 Currency.

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada, unless otherwise specified.

Section 1.3 Headings.

The division of this Agreement into Articles, Sections and subsections and the insertion of headings, subheadings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless stated otherwise, "Article", "Section", "subsection" and "Schedule" followed by a number or letter mean and refer to the specified Article, Section or subsection of or Schedule to this Agreement.

Section 1.4 Number and Gender.

Wherever the context so requires, terms used herein importing the singular number only shall include the plural and vice-versa and words importing only one gender shall include all others.

Section 1.5 Determination of Percentage Ownership

The percentage of outstanding Voting Shares Beneficially Owned by any Person, shall, for the purposes of this Agreement, be and be deemed to be the product (expressed as a percentage) determined by the formula:

$$100 \times \frac{A}{B}$$

where:

A = the aggregate number of votes for the election of all directors generally attaching to the outstanding Voting Shares Beneficially Owned by such Person; and

B = the aggregate number of votes for the election of all directors generally attaching to all outstanding Voting Shares.

Where any Person is deemed to Beneficially Own unissued Voting Shares pursuant to Section 1.1(e), such Voting Shares shall be deemed to be outstanding for the purpose of both A and B in the formula above for such Person, but no other unissued Voting Shares shall, for the purposes of this calculation, be deemed to be outstanding.

Section 1.6 Acting Jointly or in Concert.

For the purposes of this Agreement, a Person is acting jointly or in concert with every Person who is a party to an agreement, arrangement, commitment or understanding, whether formal or informal and whether or not in writing, with the first Person or any Associate or Affiliate of the first Person, to acquire or make an Offer to Acquire Voting Shares (other than customary agreements with and between underwriters or banking group members or selling group members with respect to a distribution of securities or to a pledge of securities in the ordinary course of business).

Section 1.7 Statutory References.

Unless the context otherwise requires, any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced, ~~of~~or if repealed and there shall be no replacement therefor, to the same as it is in effect on the date of this Agreement.

ARTICLE 2
THE RIGHTS

Section 2.1 Legend on Common Share Certificates.

(a) Certificates issued for Common Shares, including without limitation, Common Shares issued upon the conversion of Convertible Securities, after the Record Time but prior to the earlier of the Separation Time and the Expiration Time shall evidence one Right for each Common Share represented thereby and, commencing as soon as reasonably practicable after the effective date of this Agreement, shall have impressed on, printed on, written on or otherwise affixed to them, a legend in substantially the following form:

> Until the Separation Time (defined in the Rights Agreement referred to below), this certificate also evidences rights of the holder described in a Shareholder Rights Plan Agreement, entered into as of September 20, 2022, as amended and restated as of June 8, 2023, and as further amended and restated as of June 17, 2026, and as such may from time to time be further amended, restated, varied or replaced (the "**Rights Agreement**"), between Neo Performance Materials Inc. and Computershare Investor Services Inc., as Rights Agent, the terms of which are hereby incorporated herein by reference and, a copy of which is on file at the principal executive offices of Neo Performance Materials Inc. and is available for viewing at www.~~sedar~~sedarplus.~~com~~ca. Under certain circumstances set out in the Rights Agreement, the rights may be redeemed, may expire, may become null and void or may be evidenced by separate certificates and no longer evidenced by this certificate.

(b) Until the earlier of the Separation Time and the Expiration Time, certificates representing Common Shares that are issued and outstanding at the Record Time shall evidence one Right for each Common Share evidenced thereby notwithstanding the absence of the foregoing legend. Following the Separation Time, Rights will be evidenced by Rights Certificates issued pursuant to Section 2.2.

Section 2.2 Initial Exercise Price; Exercise of Rights; Detachment of Rights.

(a) **Right to entitle holder to purchase one Common Share prior to adjustment**. Subject to adjustment as herein set forth and subject to Section 3.1(a), each Right will entitle the holder thereof, from and after the Separation Time and prior to the Expiration Time, to purchase, for the Exercise Price as at the Business Day immediately preceding the date of exercise of the Right, one Common Share (which price and number of Common Shares are subject to adjustment as set forth below and are subject to Section 3.1(a)). Notwithstanding any other provision of this Agreement, any Rights held by the Corporation or any of its Subsidiaries shall be void.

(b) **Rights not exercisable until Separation Time.** Until the Separation Time, (i) the Rights shall not be exercisable and no Right may be exercised, and (ii) for administrative purposes each Right will be evidenced by the certificates for the associated Common Shares registered in the names of the holders thereof (which certificates shall also be deemed to be Rights Certificates) and will be transferable only together with, and will be transferred by a transfer of, such associated Common Shares.

(c) **Delivery of Rights Certificate and disclosure statement.** From and after the Separation Time and prior to the Expiration Time, (i) the Rights shall be exercisable, and (ii) the registration and transfer of the Rights shall be separate from, and independent of, Common Shares. Promptly following the Separation Time, the Corporation will prepare and the Rights Agent will mail to each holder of record of Rights as of the Separation Time and, in respect of each Convertible Security converted into Common Shares after the Separation Time and prior to the Expiration Time promptly after such conversion to the holder so converting (other than an Acquiring Person and, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such Rights (a "**Nominee**")) at such holder's address as shown by the records of the Corporation (the Corporation hereby agreeing to furnish copies of such records to the Rights Agent for this purpose), (A) a certificate (a "**Rights Certificate**") in substantially the form of Schedule "A" hereto appropriately completed, representing the number of Rights held by such holder at the Separation Time, and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law, rule, regulation or judicial or administrative order or with any rule or regulation made pursuant thereto or with any rule or regulation of any self-regulatory organization, stock exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage, and (B) a disclosure statement describing the Rights, provided that a Nominee shall be sent the materials provided for in (A) and (B) in respect of all Common Shares held of record by it which are not Beneficially Owned by an Acquiring Person. In order for the Corporation to determine whether any Person is holding Common Shares which are Beneficially Owned by another Person, the Corporation may require such first mentioned Person to furnish it with such information and documentation as the Corporation considers advisable.

(d) **Exercise of Rights**. Rights may be exercised in whole or in part on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent (at the office of the Rights Agent in the City of Toronto or any other office of the Rights Agent in the cities designated from time to time for that purpose by the Corporation) the Rights Certificate evidencing such Rights together with an election to exercise such Rights (an "**Election to Exercise**") substantially in the form attached to the Rights Certificate duly completed and executed by the holder or his or her executors or administrators or other legal personal representative or his or their attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Corporation and the Rights Agent, accompanied by payment by certified cheque, banker's draft or money order payable to the order of the Rights Agent (which will promptly submit such payment to the Corporation or as directed by the Corporation), of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares in a name other than that of the holder of the Rights being exercised, all of the above to be received before the Expiration Time by the Rights Agent at its principal office in any of the cities listed on the Rights Certificate.

(e) **Duties of Rights Agent upon receipt of Election to Exercise.** Upon receipt of a Rights Certificate, which is accompanied by (i) a completed and duly executed Election to Exercise, and (ii) payment as set forth in Section 2.2(d) above, the Rights Agent (unless otherwise instructed by the Corporation) will thereupon promptly:

(i) requisition from the transfer agent for the Common Shares certificates representing the number of Common Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agent to comply with all such requisitions);

(ii) after receipt of such certificates, deliver the same to or upon the order of the registered holder of such Rights Certificate, registered in such name or names as may be designated by such registered holder;

(iii) when appropriate, requisition from the Corporation the amount of cash to be paid in lieu of issuing fractional Common Shares;

(iv) when appropriate, after receipt, deliver such cash (less any amounts required to be withheld) to or to the order of the registered holder of the Rights Certificate; and

(v) tender to the Corporation all payments received on exercise of the Rights.

(f) **Partial Exercise of Rights**. In case the holder of any Rights shall exercise less than all of the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing the Rights remaining unexercised will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.

(g) **Duties of the Corporation.** The Corporation covenants and agrees that it will:

(i) take all such action as may be necessary and within its power to ensure that all Common Shares or other securities delivered upon exercise of Rights shall, at the time of delivery of the certificates for such shares (subject to payment of the Exercise Price), be duly and validly authorized, executed, issued and delivered and fully paid and non-assessable;

(ii) take all such action as may reasonably be considered to be necessary and within its power to comply with any applicable requirements of the OBCA, the Securities Act and any applicable comparable securities legislation of each of the provinces of Canada, or any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights Certificates and the issuance of any Common Shares or other securities upon exercise of Rights;

(iii) use reasonable efforts to cause, from and after such time as the Rights become exercisable, all Common Shares issued upon exercise of Rights to be listed upon issuance on the principal stock exchange on which the Common Shares are listed or traded at that time;

(iv) cause to be reserved and kept available out of its authorized and unissued Common Shares, the number of Common Shares that, as provided in this Agreement, will from time to time be sufficient to permit the exercise in full of all outstanding Rights;

(v) pay when due and payable any and all applicable Canadian federal and provincial transfer taxes and charges (not including any income or capital taxes of the holder or exercising holder or any liability of the Corporation to withhold tax) which may be payable in respect of the original issuance or delivery of the Rights Certificates or Certificates for Common Shares issued upon the ~~Exercise~~exercise of Rights, provided that the Corporation shall not be required to pay any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for shares or other securities in a name other than that of the registered holder of the Rights being transferred or exercised; and

(vi) after the Separation Time, except as permitted by this Agreement, not take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.

Section 2.3 Adjustments to Exercise Price; Number of Rights.

The Exercise Price, the number and kind of Common Shares or other securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 2.3 and in Article 3:

(a) **Adjustment to Exercise Price upon changes to share capital.** In the event the Corporation shall at any time after the Record Time and prior to the Expiration Time:

(i) declare or pay a dividend on the Common Shares payable in Common Shares or Convertible Securities other than the issue of Common Shares or Convertible Securities to holders of Common Shares in lieu of but not in an amount which exceeds the value of regular periodic cash dividend or other than pursuant to any Dividend Reinvestment Plan;

(ii) subdivide or change the then outstanding Common Shares into a greater number of Common Shares;

(iii) combine or change the then outstanding Common Shares into a smaller number of Common Shares; or

(iv) issue any Common Shares (or Convertible Securities) in respect of, in lieu of or in exchange for existing Common Shares, except as otherwise provided in this Section 2.3;

then the Exercise Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and the number and kind of Common Shares, or other securities, as the case may be, issuable on such date, shall be proportionately adjusted so that the holder of any Right exercised after such time shall be entitled to receive, upon payment of the Exercise Price then in effect, the aggregate number and kind of Common Shares or other securities, as the case may be, which, if such Right had been exercised immediately prior to such date and at a time when the Common Share transfer books of the Corporation were open, such holder would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification. If an event occurs which would require an adjustment under both this Section 2.3 and Section 3.1, the adjustment provided for in this Section 2.3 shall be in addition to and, shall be made prior to, any adjustment required pursuant to Section 3.1.

(b) **Adjustment to Exercise Price upon issue of rights, options and warrants.** In case the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Common Shares (or shares having the same rights, privileges and preferences as Common Shares ("**equivalent common shares**")) or Convertible Securities in respect of Common Shares or equivalent common shares at a price per Common Share or per equivalent common share (or having a conversion price or exchange price or exercise price per share, if a security convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent common shares) less than 90% of the Market Price per Common Share on such record date, the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:

(i) the numerator of which shall be the number of Common Shares outstanding on such record date, plus the number of Common Shares that the aggregate offering price of the total number of Common Shares and/or equivalent common shares to be offered (and/or the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered, including the price required to be paid to purchase such convertible or exchangeable securities or rights so to be offered) would purchase at such Market Price per Common Share, and

(ii) the denominator of which shall be the number of Common Shares outstanding on such record date, plus the number of additional Common Shares and/or equivalent common shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities are initially convertible, exchangeable or exercisable).

In case such subscription price may be paid by delivery of consideration, part or all of which may be in a form other than cash, the value of such consideration shall be as determined in good faith by the Board of Directors, whose determination shall be described in a certificate filed with the Rights Agent and shall be binding on the Rights Agent and the holders of the Rights. Such adjustment shall be made successively whenever such a record date is fixed and, in the event that such rights or warrants are not so issued, the Exercise Price shall be adjusted to be the Exercise Price which would then be in effect if such record date had not been fixed.

For purposes of this Agreement, the granting of the right to purchase Common Shares (or equivalent common shares) (whether from treasury shares or otherwise) pursuant to any Dividend Reinvestment Plan and/or any Common Share purchase plan providing for the reinvestment of dividends or interest payable on securities of the Corporation and/or the investment of periodic optional payments and/or employee benefit, stock option or similar plans (so long as such right to purchase is in no case evidenced by the delivery of rights or warrants) shall not be deemed to constitute an issue of rights, options or warrants by the Corporation; provided, however, that, in the case of any Dividend Reinvestment Plan, the right to purchase Common Shares (or equivalent common shares) is at a price per share of not less than 90% of the current market price per share (determined as provided in such plans) of the Common Shares.

(c) **Adjustment to Exercise Price upon Corporate Distributions.** In case the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for a distribution to all holders of Common Shares (including any such distribution made in connection with a merger, amalgamation, arrangement, plan, compromise or reorganization in which the Corporation is the continuing or successor corporation) of evidences of indebtedness, cash (other than a regular periodic cash dividend or a regular periodic cash dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), assets or subscription rights, options or warrants (excluding those referred to in Section 2.3(b) above), the Exercise Price to be in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction:

(i) the numerator of which shall be the Market Price per Common Share on such record date, less the fair market value (as determined in good faith by the Board of Directors, whose determination shall be described in a statement filed with the Rights Agent) of the portion of the cash, assets or evidences of indebtedness so to be distributed or of such subscription rights, options or warrants applicable to a Common Share; and

(ii) the denominator of which shall be such Market Price per Common Share.

Such adjustments shall be made successively whenever such a record date is fixed, and in the event that such distribution is not so made, the Exercise Price shall be adjusted to be the Exercise Price which would have been in effect if such record date had not been fixed.

(d) **De minimis threshold for adjustment to Exercise Price**. Notwithstanding anything herein to the contrary, no adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Exercise Price; provided, however, that any adjustments which by reason of this Section 2.3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 2.3 shall be made to the nearest cent or to the nearest one-hundredth of a Common Share or other share, as the case may be. Notwithstanding the first sentence of this Section 2.3(d), any adjustment required by this Section 2.3 shall be made no later than the earlier of (i) 3 years from the date of the transaction which mandates such adjustment or (ii) the Expiration Time.

(e) **Corporation may provide for alternate means of adjustment.** In the event the Corporation shall at any time after the Record Time issue any shares of capital stock (other than Common Shares), or rights or warrants to subscribe for or purchase any such capital stock, or securities convertible into or exchangeable for any such capital stock, in a transaction referred to in Section 2.3(a)(i) or Section 2.3(a)(iv) or Section 2.3(b) or Section 2.3(c) above, if the Board of Directors acting in good faith determines that the adjustments contemplated by Section 2.3(a), Section 2.3(b) and Section 2.3(c) above in connection with such transaction will not appropriately protect the interests of the holders of Rights, the Corporation shall be entitled to determine what other adjustments to the Exercise Price, number of Rights and/or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding Section 2.3(a), Section 2.3(b) and Section 2.3(c) above, such adjustments, rather than the adjustments contemplated by Section 2.3(a), Section 2.3(b) and Section 2.3(c) above, shall be made. The Corporation and the Rights Agent shall amend this Agreement as appropriate to provide for such adjustments.

(f) **Adjustment to Rights exercisable into shares other than Common Shares**. If as a result of an adjustment made pursuant to Section 3.1, the holder of any Right thereafter exercised shall become entitled to receive any shares other than Common Shares, thereafter the number of such other shares so receivable upon exercise of any Right and the Exercise Price thereof shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Shares contained in Section 2.3(a), Section 2.3(b), Section 2.3(c), Section 2.3(d), Section 2.3(e), Section 2.3(g), Section 2.3(h), Section 2.3(i), Section 2.3(j), Section 2.3(k) and Section 2.3(l) above and below, as the case may be, and the provisions of this Agreement with respect to the Common Shares shall apply on like terms to any such other shares.

(g) **Rights to evidence right to purchase Common Shares at adjusted Exercise Price**. Each Right originally issued by the Corporation subsequent to any adjustment made to the Exercise Price hereunder shall evidence the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time hereunder upon exercise of such Right, all subject to further adjustment as provided herein.

(h) **Adjustment to number of Common Shares purchasable upon adjustment to Exercise Price.** Unless the Corporation shall have exercised its election as provided in Section 2.3(i) below, upon each adjustment of the Exercise Price as a result of the calculations made in Section 2.3(b) and Section 2.3(c) above, each Right outstanding immediately prior to the making of such adjustment shall thereafter evidence the right to purchase, at the adjusted Exercise Price, that number of Common Shares (calculated to the nearest one ten-thousandth) obtained by:

(i) multiplying:

(x) the number of shares purchasable upon exercise of a Right immediately prior to this adjustment by (y) the Exercise Price in effect immediately prior to such adjustment of the Exercise Price, and

(ii) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment of the Exercise Price.

(i) **Election to adjust number of Rights upon adjustment to Exercise Price**. The Corporation shall be entitled to elect on or after the date of any adjustment of the Exercise Price to adjust the number of Rights, in lieu of any adjustment in the number of Common Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after the adjustment in the number of Rights shall be exercisable for the number of Common Shares for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the Exercise Price in effect immediately prior to adjustment of the Exercise Price by the Exercise Price in effect immediately after adjustment of the Exercise Price. The Corporation shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Exercise Price is adjusted or any day thereafter but, if Rights Certificates have been issued, shall be at least 10 days later than the date of the public announcement. If Rights Certificates have been issued, upon each adjustment, of the number of Rights pursuant to this Section 2.3(i), the Corporation shall, as promptly as practicable, cause to be distributed to holders of record of Rights Certificates on such record date Rights Certificates evidencing, subject to Section 5.5, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Corporation, shall cause to be distributed to such holders of record in substitution and replacement for the Rights Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, new Rights Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Rights Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein and may bear, at the option of the Corporation, the adjusted Exercise Price and shall be registered in the names of the holders of record of Rights Certificates on the record date for the adjustment specified in the public announcement.

(j) **Rights Certificates may contain Exercise Price before adjustment**. Irrespective of any adjustment or change in the Exercise Price or the number of Common Shares issuable upon the exercise of the Rights, the Rights Certificates theretofore and thereafter issued may continue to express the Exercise Price per share and the number of shares which were expressed in the initial Rights Certificates issued hereunder.

(k) **Corporation may in certain cases defer issues of securities**. In any case in which this Section 2.3 shall require that an adjustment in the Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the Exercise Price in effect prior to such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional shares (fractional or otherwise) or securities upon the occurrence of the event requiring such adjustment.

(l) **Corporation has discretion to reduce Exercise Price for tax reasons**. Notwithstanding anything in this Section 2.3 to the contrary, the Corporation shall be entitled to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this Section 2.3, as and to the extent that in their good faith judgment, the Board of Directors shall determine to be advisable in order that any (A) consolidation or subdivision of the Common Shares, (B) issuance of any Common Shares at less than the Market Price, (C) issuance of securities convertible into or exchangeable for Common Shares, (D) stock dividends or (E) issuance of rights, options or warrants, referred to in this Section 2.3 hereafter made by the Corporation to holders of its Common Shares, shall not be taxable to such shareholders.

(m) **Notice in Respect of Adjustments**. Whenever an adjustment to the Exercise Price or a change in the securities purchasable upon exercise of the Rights is made at any time after the Separation Time pursuant to this Section 2.3, the Corporation shall promptly:

(i) file with the Rights Agent and with the transfer agent for the Common Shares a certificate specifying the particulars of such adjustment or change; and

(ii) cause notice of the particulars of such adjustment or change to be given to the holders of the Rights; provided that failure to file such certificate or cause such notice to be given as aforesaid, or any defect therein, shall not affect the validity of any such adjustment or change.

Section 2.4 Date on Which Exercise is Effective.

Each person in whose name any certificate for Common Shares is issued upon the exercise of Rights, shall for all purposes be deemed to have become the holder of record of the Common Shares represented thereby on, and such certificate shall be dated, the date upon which the Rights Certificate evidencing such Rights was duly surrendered (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the Common Share transfer books of the Corporation are closed, such person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding Business Day on which the Common Share transfer books of the Corporation are open.

Section 2.5 Execution, Authentication, Delivery and Dating of Rights Certificates.

(a) The Rights Certificates shall be executed on behalf of the Corporation by its Chair, President, Chief Executive Officer, Vice President or Chief Financial Officer, under its corporate seal reproduced thereon attested by its Corporate Secretary and Vice President, Administration. The signature of any of these officers on the Rights Certificates may be manual or facsimile. Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation shall bind the Corporation, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the countersignature and delivery of such Rights Certificates.

(b) Promptly after the Corporation learns of the Separation Time, the Corporation will notify the Rights Agent of such Separation Time and will deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature and disclosure statements as described in Section 2.2(c), and the Rights Agent shall manually or by facsimile signature countersign and send such Rights Certificates and disclosure statements to the holders of the Rights pursuant to Section 2.2(c). No Rights Certificate shall be valid for any purpose until countersigned by the Rights Agent as aforesaid.

(c) Each Rights Certificate shall be dated the date of countersignature thereof.

Section 2.6 Registration, Registration of Transfer and Exchange.

(a) Following the Separation Time, the Corporation will cause to be kept a register (the "**Rights Register**") in which, subject to such reasonable regulations as it may prescribe, the Corporation will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed "**Rights Registrar**" for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as herein provided and the Rights Agent hereby accepts such appointment. In the event that the Rights Agent shall cease to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times.

After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate and subject to the provisions of Section 2.6(c) below and the other provisions of this Agreement, the Corporation will execute and the Rights Agent will countersign, register and deliver, in the name of the holder or the designated transferee or transferees as required pursuant to the holder's instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered.

(b) All Rights issued upon any registration of transfer or exchange of Rights Certificates shall be the valid obligations of the Corporation, and such Rights shall be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

(c) Every Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the Rights Agent, as the case may be, duly executed by the registered holder thereof or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this Section 2.6, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

(d) The Corporation shall not be required to register the transfer or exchange of any Rights after the Rights have been terminated pursuant to the provisions of this Agreement.

Section 2.7 Mutilated, Destroyed, Lost and Stolen Rights Certificates.

(a) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, the Corporation shall execute and the Rights Agent shall countersign and deliver in exchange thereof a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.

(b) If there shall be delivered to the Corporation and the Rights Agent prior to the Expiration Time (i) evidence to their reasonable satisfaction of the ownership, destruction, loss or theft of any Rights Certificate, and (ii) such indemnity or other security as may be required by each of them in their own discretion to save each of them and any of their agents harmless then, in the absence of notice to the Corporation or the Rights Agent that such Rights Certificate has been acquired by a bona fide purchaser, the Corporation shall execute and upon its request the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

(c) As a condition to the issuance of any new Rights Certificate under this Section 2.7, the Corporation or the Rights Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and the Corporation may require payment of a sum sufficient to cover any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

(d) Every new Rights Certificate issued pursuant to this Section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate shall evidence an original additional contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate shall be at any time enforceable by anyone, and the holder thereof shall be entitled to all the benefits of this Agreement equally and proportionately with any and all other holders of Rights duly issued by the Corporation.

Section 2.8 Persons Deemed Owners.

Prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent shall be entitled to deem and treat the person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever. As used in this Agreement, unless the context otherwise requires, the term "**holder**" of any Rights shall mean the registered holder of such Rights (or, prior to the Separation Time, the associated Common Shares).

Section 2.9 Delivery and Cancellation of Rights Certificates.

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange shall, if surrendered to any person other than the Rights Agent, be delivered to the Rights Agent and, in any case, shall be promptly cancelled by the Rights Agent. The Corporation may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which the Corporation may have acquired in any manner whatsoever, and all Rights Certificates so delivered shall be promptly cancelled by the Rights Agent. No Rights Certificate shall be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.9 except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable laws, destroy all cancelled Rights Certificates and deliver a certificate of destruction to the Corporation.

Section 2.10 Agreement of Rights Holders.

Every holder of Rights, by accepting the same, consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights:

(a) to be bound by and subject to the provisions of this Agreement, as amended or supplemented from time to time in accordance with the terms hereof, in respect of all Rights held;

(b) that prior to the Separation Time each Right will be transferable only together with, and will be transferred by a transfer of, the Common Share certificate representing such Right;

(c) that after the Separation Time, the Rights Certificates will be transferable only on the Rights Register as provided herein;

(d) that prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent shall be entitled to deem and treat the person in whose name the Rights Certificate (or prior to the Separation Time, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or the associated Common Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes whatsoever, and neither the Corporation nor the Rights Agent shall be affected by any notice to the contrary;

(e) that such holder of Rights has waived his right to receive any fractional Rights or any fractional shares upon exercise of Right;

(f) that, in accordance with Section 5.4, without the approval of any holder of Rights and upon the sole authority of the Board of Directors acting in good faith this Agreement may be supplemented or amended from time to time pursuant to and as provided herein; and

(g) that notwithstanding anything in this Agreement to the contrary, neither the Corporation nor the Rights Agent shall have any liability to any holder of a Right or any other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation, or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation.

Section 2.11 Rights Certificate Holder not Deemed a Shareholder.

No holder, as such, of any Rights or Rights Certificate shall be entitled to vote, receive dividends or be deemed for any purpose whatsoever the holder of any Common Share or any other share or security of the Corporation which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Rights Certificate be construed or deemed to confer upon the holder of any Right or Rights Certificate, as such, any of the rights, titles, benefits or privileges of a holder of Common Shares or any other shares or securities of the Corporation or any right to vote at any meeting of shareholders of the Corporation whether for the election of directors or otherwise or upon any matter submitted to holders of shares of the Corporation at any meeting thereof, or to give or withhold consent to any action of the Corporation, or to receive notice of any meeting or other action affecting any holder of Common Shares or any other shares or securities of the Corporation except as expressly provided herein, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by Rights Certificates shall have been duly exercised in accordance with the terms and provisions hereof.

ARTICLE 3
ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS

Section 3.1 ~~Flip-in~~Flip-In Event.

(a) Subject to Section 3.1(b) below, and Section 5.1, in the event that prior to the Expiration Time a ~~Flip-in~~Flip-In Event shall occur, each Right shall constitute, effective on and after the later of its date of issue and the close of business on the tenth Trading Day following the Stock Acquisition Date, the right to purchase from the Corporation, upon payment of the relevant Exercise Price and otherwise exercising such Right in accordance with the terms hereof, that number of Common Shares of the Corporation having an aggregate Market Price on the date of the occurrence of such ~~Flip-in~~Flip-In Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such Right to be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 upon each occurrence after the Stock Acquisition Date of any event analogous to any of the events described in Section 2.3).

(b) Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any ~~Flip-in~~Flip-In Event, any Rights that are or were Beneficially Owned on or after the earlier of the Separation Time and the Stock Acquisition Date by:

(i) an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert), or

(ii) a transferee or other successor in title, directly or indirectly, (a "**Transferee**") of Rights held by an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or of any Affiliate or Associate of such Person so acting jointly or in concert) who becomes a Transferee concurrently with or subsequent to the Acquiring Person becoming an Acquiring Person in a transfer that the Board of Directors, acting in good faith, has determined is part of a plan, arrangement or scheme of an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert), that has the purpose or effect of avoiding the provisions of Section 3.1(b)(i);

shall become null and void without any further action, and any holder of such Rights (including any Transferee) shall not have any rights whatsoever to exercise such Rights under any provision of this Agreement and shall not have thereafter any other rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise. The holder of any Rights represented by a Rights Certificate which is submitted to the Rights Agent upon exercise or for registration of transfer or exchange which does not contain the necessary certifications set forth in the Rights Certificate establishing that such Rights are not null and void under this Section 3.1(b) shall be deemed to be an Acquiring Person for the purposes of this Section 3.1 and such Rights shall become null and void.

(c) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either subsections (i) or (ii) of Section 3.1(b) or transferred to any nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, shall contain the following legend:

> "The Rights represented by this Rights Certificate were Beneficially Owned by a Person who was an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or of any Affiliate or Associate of such Person so acting jointly or in concert) (as such terms are defined in the Shareholder Rights Plan Agreement). This Rights Certificate and the Rights represented hereby shall become void in the circumstances specified in subsection 3.1(~~2~~b) of the Rights Agreement."

provided that the Rights Agent shall not be under any responsibility to ascertain the existence of facts that would require the imposition of such legend but shall be required to impose such legend only if instructed to do so by the Corporation in writing or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not an Acquiring Person (or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert).

(d) From and after the Separation Time, the Corporation shall do all such acts and things as shall be necessary and within its power to ensure compliance with the provisions of this Section 3.1 including, without limitation, all such acts and things as may be required to satisfy the requirements of the OBCA, the Securities Act, the securities laws or comparable legislation of each of the provinces of Canada and any other applicable laws in respect of the issue of Common Shares upon the exercise of Rights in accordance with this Agreement.

ARTICLE 4
THE RIGHTS AGENT

Section 4.1 General.

(a) The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and holders of Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-Rights Agents as it may deem necessary or desirable, subject to the prior approval of the Rights Agent. In the event the Corporation appoints one or more co-Rights Agents, the respective duties of the Rights Agents and co-Rights Agents shall be as the Corporation may determine, with the approval of the Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, its reasonable expenses (including reasonable counsel fees and disbursements) incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Corporation also agrees to indemnify the Rights Agent, its officers, directors and employees for, and to hold such persons harmless against, any loss, liability, cost, claim, action, suit, damage, or expense incurred (that is not the result of negligence, bad faith or wilful misconduct on the part of any one or all of the Rights Agent, its officers, directors or employees) for anything done, suffered or omitted by the Rights Agent in connection with the acceptance, execution and administration of this Agreement and the exercise and performance of its duties hereunder, including the costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement or the resignation or removal of the Rights Agent.

(b) The Rights Agent shall be protected from and shall incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any certificate for Common Shares or any Rights Certificate or certificate for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document reasonably believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

(c) The Corporation shall inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this Agreement by the Rights Agent and at any time, upon request, shall provide to the Rights Agent an incumbency certificate certifying the then current officers of the Corporation.

Section 4.2 Merger or Amalgamation or Change of Name of Rights Agent.

(a) Any corporation into which the Rights Agent or any successor Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation, statutory arrangement or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent or any successor Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

(b) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates shall have the full force provided in the Rights Certificates and in this Agreement.

Section 4.3 Duties of Rights Agent.

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, to all of which the Corporation and the holders of Rights Certificates, by their acceptance thereof, shall be bound:

(a) the Rights Agent may retain and consult with legal counsel (who may be legal counsel for the Corporation) and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted to be taken by it in good faith and in accordance with such opinion. Subject to the prior written consent of the Corporation, which consent will not be unreasonably withheld, the Rights Agent may also consult with such other experts as the Rights Agent shall consider necessary or appropriate to properly carry out the duties and obligations imposed under this Agreement at the expense of the Corporation and the Rights Agent shall be entitled to act and rely in good faith on the advice of any such expert;

(b) whenever in the performance of its duties under this Agreement the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by the Corporation prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proven and established by a certificate signed by a person reasonably believed by the Rights Agent to be Chair, President, Chief Executive Officer, Chief Financial Officer or Corporate Secretary and Vice President, Administration of the Corporation and delivered to the Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate;

(c) the Rights Agent will be liable hereunder only for events which are the result of its own negligence, bad faith or wilful misconduct and that of its officers, directors and employees;

(d) the Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates for Common Shares or the Rights Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and will be deemed to have been made by the Corporation only;

(e) the Rights Agent will not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any Common Share certificate or Rights Certificate (except its countersignature thereof); nor will it be responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; nor will it be responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to Section 3.1(b)) or any adjustment required under the provisions of Section 2.3 or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by Section 2.3 describing any such adjustment); nor will it by any act hereunder be deemed to make any representation or warranty as to the authorization of any Common Shares to be issued pursuant to this Agreement or any Rights or as to whether any Common Shares will, when issued, be duly and validly authorized, executed, issued and delivered or fully paid and non-assessable;

(f) the Corporation agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged, and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement;

(g) the Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any person reasonably believed by the Rights Agent to be the Chair, President, Chief Executive Officer, Chief Financial Officer or Corporate Secretary and Vice President, Administration of the Corporation and to apply to such persons for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such person. It is understood that instructions to the Rights Agent shall, except where circumstances make it impracticable or the Rights Agent otherwise agrees, be given in writing and, where not in writing, such instructions shall be confirmed in writing as soon as reasonably possible after the giving of such instructions;

(h) the Rights Agent and any shareholder or stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in Common Shares, Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the Corporation may be interested or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity; and

(i) the Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or, by or through its attorneys or agents. The Rights Agent will not be answerable or accountable for any act, omission, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, omission, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

Section 4.4 Change of Rights Agent.

The Rights Agent may resign and be discharged from its duties under this Agreement upon 60 days' notice (or such lesser notice as is acceptable to the Corporation) in writing mailed to the Corporation and to each transfer agent of Voting Shares by registered or certified mail, and to the holders of the Rights in accordance with Section 5.8 (all of which shall be at the expense of the Corporation). The Corporation may remove the Rights Agent upon 30 days' notice in writing, given to the Rights Agent and to each transfer agent of the Voting Shares by registered or certified mail and to the holders of the Rights in accordance with Section 5.8. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Corporation will appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of 30 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate for inspection by the Corporation), then the Rights Agent or the holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent at the Corporation's expense. Any successor Rights Agent, whether appointed by the Corporation or by such a court, shall be a corporation incorporated under the laws of Canada or a province thereof authorized to carry on the business of a trust company in all the Provinces and Territories of Canada. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent, upon receiving from the Corporation payment in full of all amounts outstanding under this Agreement, shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Voting Shares, and mail a notice thereof in writing to the holders of the Rights. The cost of giving any notice required under this Section 4.4 shall be borne solely by the Corporation. Failure to give any notice provided for in this Section 4.4 however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 4.5 Compliance with Anti-Money Laundering Legislation.

The Rights Agent shall retain the right not ~~the~~to act and shall not be liable for refusing to act if, due to a lack of information or for any reason whatsoever, the Rights Agent reasonably determines that such an act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist financing legislation, regulation or guideline. Further, should the Rights Agent reasonably determine at any time that its acting under the Agreement has resulted in it being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' written notice to the Corporation, provided that: (i) the Rights Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Rights Agent's satisfaction within such 10 day period, then such resignation shall not be effective.

Section 4.6 Compliance with Privacy Legislation.

The parties acknowledge that the federal and/or provincial legislation that addresses the protection of individual's personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Agreement. Despite any other provision of this Agreement, neither party will take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation will, prior to transferring or causing to be transferred personal information to the Rights Agent, obtain and retain required information, or will have determined that such consents either have previously been given upon which the parties can rely or are not required under applicable Privacy Laws. The Rights Agent will use commercially reasonable efforts to ensure that its services hereunder comply with applicable Privacy Laws.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Redemption and Waiver

(a) Subject to the prior consent of the holders of Voting Shares or Rights obtained as set forth in Section 5.4(b) or Section 5.4(c) ~~or Section 5.4(d)~~ hereof, as applicable, the Board of Directors acting in good faith may, at any time prior to the occurrence of a ~~Flip-in~~Flip-In Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of $0.000001 per Right appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 hereof in the event that an event of the type described in Section 2.3 hereof shall have occurred (such redemption price being herein referred to as the "**Redemption Price**").

(b) Subject to the prior consent of the holders of Voting Shares obtained as set forth in ~~Section 5.4(c)~~Section 5.4(b) hereof, the Board of Directors may, at any time prior to the occurrence of a ~~Flip-in~~Flip-In Event as to which the application of Section 3.1 hereof has not been waived pursuant to this Section 5.1, if such ~~Flip-in~~Flip-In Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a ~~Take-over~~Take-Over Bid made by means of a ~~Take-over Bid~~take-over bid circular to all registered holders of Voting Shares and otherwise than in the circumstances set forth in Section 5.1(d) hereof, waive the application of Section 3.1 hereof to such ~~Flip-in~~Flip-In Event. In such event, the Board of Directors shall extend the Separation Time to a date at least ten (10) Business Days subsequent to the meeting of shareholders called to approve such waiver.

(c) The Board of Directors acting in good faith, may, prior to the occurrence of a ~~Flip-in~~Flip-In Event, and upon prior written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 hereof to a ~~Flip-in~~Flip-In Event that may occur by reason of a ~~Take-over~~Take-Over Bid made by means of a ~~Take-over Bid~~take-over bid circular to all registered holders of Voting Shares; provided that if the Board of Directors waives the application of Section 3.1 hereof to a particular ~~Flip-in~~Flip-In Event pursuant to this Section 5.1(c), the Board of Directors shall be deemed to have waived the application of Section 3.1 hereof to any other ~~Flip-in~~Flip-In Event occurring by reason of any ~~Take-over~~Take-Over Bid made by means of a ~~Take-over Bid~~take-over bid circular to all registered holders of Voting Shares prior to the expiry of any ~~Take-over~~Take-Over Bid in respect of which a waiver is, or is deemed to have been granted, pursuant to this Section 5.1(c).

(d) The Board of Directors may, upon prior written notice delivered to the Rights Agent, waive the application of Section 3.1 hereof in respect of the occurrence of any ~~Flip-in~~Flip-In Event if the Board of Directors has determined, following a Stock Acquisition Date and prior to the Separation Time, that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and, in the event that such a waiver is granted by the Board of Directors, such Stock Acquisition Date shall be deemed not to have occurred. Any such waiver pursuant to this Section 5.1(d) must be on the condition that such Person, within fourteen (14) days after the foregoing determination by the Board of Directors or such earlier or later date as the Board of Directors may determine (the "**Disposition Date**"), has reduced its Beneficial Ownership of Voting Shares such that the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the close of business on the Disposition Date, the Disposition Date shall be deemed to be the date of occurrence of a further Stock Acquisition Date and Section 3.1 hereof shall apply thereto.

(e) Where a Person acquires pursuant to a Permitted Bid, a Competing Permitted Bid or an Exempt Acquisition under Section 5.1(c) above, outstanding Voting Shares and/or Convertible Securities, other than Voting Shares Beneficially Owned at the date of the Permitted Bid, the Competing Permitted Bid or the Exempt Acquisition under Section 5.1(c) by such Person, then the Board of Directors of the Corporation shall immediately upon the consummation of such acquisition without further formality, including any approval under Section 5.1(a), be deemed to have elected to redeem the Rights at the Redemption Price.

(f) If the Corporation is deemed under Section 5.1(e) above to redeem the Rights, or if the Board of Directors elects under Section 5.1(a) above or Section 5.1(h) below to redeem the Rights, the right to exercise the Rights will thereupon, without further action and without notice, terminate and each Right will after redemption be null and void and the only right thereafter of the holders of Rights shall be to receive the Redemption Price.

(g) Within ten (10) days after the Corporation is deemed under Section 5.1(e) above to redeem the Rights, or the Board of Directors elects under Section 5.1(a) above or Section 5.1(h) below to redeem the Rights, the Corporation shall give notice of redemption to the holders of the then outstanding Rights by mailing such notice to all such holders at their last address as they appear upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made. The Corporation may not redeem, acquire or purchase for value any Rights at any time in any manner other than that specifically set forth in this Section 5.1 and other than in connection with the purchase of Common Shares prior to the Separation Time.

(h) Where a ~~Take-over~~Take-Over Bid that is not a Permitted Bid Acquisition is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a ~~Flip-in~~Flip-In Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

(i) Notwithstanding the Rights being redeemed pursuant to Section 5.1(h) above, all the provisions of this Agreement shall continue to apply as if the Separation Time had not occurred and Rights Certificates representing the number of Rights held by each holder of record of Common Shares as of the Separation Time had not been mailed to each such holder and for all purposes of this Agreement the Separation Time shall be deemed not to have occurred and the Rights shall remain attached to outstanding Common Shares, subject to and in accordance with the provisions of this Agreement.

Section 5.2 Expiration.

No person shall have any rights whatsoever pursuant to or arising out of this Agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in Section 4.1(a).

Section 5.3 Issuance of New Rights Certificates.

Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Corporation may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved by its Board of Directors to reflect any adjustment or change in the number or kind or class of shares purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

Section 5.4 Supplements and Amendments.

(a) The Corporation may from time to time supplement, amend or amend and restate this Agreement without the approval of any holders of Rights or Voting Shares to correct any clerical or typographical error or to maintain the validity of the Agreement as a result of a change in or in the interpretation of any applicable legislation or regulations or rules thereunder. The Corporation may, prior to the date of the ~~2023~~2026 shareholders' meeting, further supplement or amend this Agreement without the approval of any holders of Rights or Voting Shares in order to make any changes which the Board of Directors acting in good faith may deem necessary or desirable (provided that such action would not materially adversely affect the interests of the holders of Rights generally). Notwithstanding anything in this Section 5.4 to the contrary, no supplement, amendment, or amendments and restatements shall be made to the provisions of Article 4 hereof except with the written concurrence of the Rights Agent to such supplement, amendment, or amendments and restatements.

(b) Subject to Section 5.4(a) above, the Corporation may, with the prior consent of the holders of the Voting Shares obtained as set forth below, at any time prior to the Separation Time amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent shall be deemed to have been given if the action requiring such approval is authorized by the affirmative vote of a majority of the votes cast by Independent Shareholders represented in person or by proxy at a meeting of such holders duly held in accordance with applicable laws and the requirements in the articles and by-laws of the Corporation.

(c) The Corporation may, with the prior consent of the holders of Rights, at any time after the Separation Time and before the Expiration Time, amend, vary or rescind any of the provisions of this Agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally).

(d) Any consent or approval of the holders of Rights shall be deemed to have been given if the action requiring such approval is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect thereof. For the purposes hereof, each outstanding Right (other than Rights which are void pursuant to the provisions hereof) shall be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting shall be those, as nearly as may be, which are provided in the Corporation's by-laws and the OBCA with respect to a meeting of shareholders of the Corporation.

(e) The Corporation shall be required to provide the Rights Agent with notice in writing of any such amendment, variation or deletion to this Agreement as referred to in this Section 5.4 within 5 days of effecting such amendment, variation or deletion.

(f) Any supplements, amendments, or amendments and restatements made by the Corporation to this Agreement pursuant to Section 5.4(a) above which are required to maintain the validity of this Agreement as a result of any change in any applicable legislation or regulations or rules thereunder shall:

   (i) if made before the Separation Time, be submitted to the shareholders of the Corporation at the next meeting of shareholders and the shareholders may, by the majority referred to in Section 5.4(b) above confirm or reject such amendment; and

   (ii) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for on a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights may, by resolution passed by the majority referred to in Section 5.4(d) above, confirm or reject such amendment.

A supplement, amendment, or amendment and restatement of the nature referred to in this Section 5.4(f) shall be effective from the date of the resolution of the Board of Directors adopting such supplement, amendment, or amendment and restatement until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such supplement, amendment, or amendment and restatement is confirmed, it continues in effect in the form so confirmed. If such supplement, amendment, or amendment and restatement is rejected by the shareholders or the holders of Rights or is not submitted to the shareholders or holders of Rights as required, then such supplement, amendment, or amendment and restatement shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board of Directors to amend, vary or delete any provision of this Agreement to substantially the same effect shall be effective until confirmed by the shareholders or holders of Rights, as the case may be.

Section 5.5 Fractional Rights and Fractional Shares.

(a) The Corporation shall not be required to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights. Any such fractional Right shall be null and void and the Corporation will not have any obligation or liability in respect thereof.

(b) The Corporation shall not be required to issue fractions of Common Shares or other securities upon exercise of the Rights or to distribute certificates which evidence fractional Common Shares or other securities. In lieu of issuing fractional Common Shares or other securities, the Corporation shall pay to the registered holders of Rights Certificates at the time such Rights are exercised as herein provided, an amount in cash equal to the same fraction of the Market Price of one Common Share. The Rights Agent shall have no obligation to make any payments in lieu of fractional Common Shares unless the Corporation shall have provided the Rights Agent with the necessary funds to pay in full all amounts payable in accordance with Section 2.2(e).

Section 5.6 Rights of Action.

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective registered holders of the Rights; and any registered holder of any Rights, without the consent of the Rights Agent or of the registered holder of any other Rights, may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights enforce, and may institute and maintain any suit, action or proceeding against the Corporation to enforce such holder's right to exercise such holder's Rights in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of the obligations of any Person subject to, this Agreement.

Section 5.7 Notice of Proposed Actions.

If after the Separation Time and prior to the Expiration Time:

(a) there shall occur an adjustment to the Rights pursuant to Section 3.1 as a result of the occurrence of a Flip-In Event; or

(b) the Corporation proposes to effect the liquidation, dissolution or winding-up of the Corporation or the sale of all or substantially all of the Corporation's assets;

then, in each such case, the Corporation shall give to each holder of a Right, in accordance with Section 5.8, a notice of such proposed action, which shall specify the date on which such

~~Flip-in~~Flip-In Event, liquidation, dissolution, winding up, or sale is to take place, and such notice shall be so given within 10 Business Days after the occurrence of such an adjustment to the Rights referred to in Section 5.7(a), or at least 20 Business Days prior to the date of taking of such proposed action referred to in Section 5.7(b).

Section 5.8 Notices.

(a) Notices or demands authorized or required by this Agreement to be given or made by the Rights Agent or by the holder of any Rights to or on the Corporation shall be in writing and shall be sufficiently given or made if delivered or sent by: (i) except during any general interruption of postal services due to strike, lockout or other cause, first-class mail~~, postage~~; or (ii) sent by e-mail or other form of recorded electronic communication, charges prepaid and confirmed in writing as aforesaid, addressed (until another address is filed in writing with the Rights Agent) as follows:

Neo Performance Materials Inc.
121 King Street West, Suite 1740
Toronto, ON
M5H 3T9

Attention: SVP, General Counsel & Corporate Secretary~~ and Vice President, Administration~~
Email: legal@neomaterials.com

(b) Any notice or demand authorized or required by this Agreement to be given or made by the Corporation or by the holder of any Rights to or on the Rights Agent shall be in writing and shall be sufficiently given or made if delivered or sent by: (i) except during any general interruption of postal services due to strike, lockout or other cause, first-class mail~~, postage~~; or (ii) sent by e-mail or other form of recorded electronic communication, charges prepaid and confirmed in writing as aforesaid, addressed (until another address is filed in writing with the Corporation) as follows:

Computershare Investor Services Inc.
~~100 University Avenue, 8th~~310 Bay Street, 14th Floor
Toronto, ON
M5H 4A6
~~M5J 2Y1~~
Attention: Laura Stone, Relationship Manager
Email: laura.stone@computershare.com

(c) Notices or demands authorized or required by this Agreement to be given or made by the Corporation or the Rights Agent to or on the holder of any Rights shall be sufficiently given or made if delivered or sent by first-class mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice.

(d) Notwithstanding the foregoing provisions of this Section 5.8, if mail service is or is threatened to be interrupted at a time when the Corporation or the Rights Agent wishes to give a notice or demand hereunder to or on the holders of the Rights, the Corporation or the Rights Agent may give such notice by means of a publication in the business section of the Globe and Mail or in such other publications as may be designated by the Corporation.

Section 5.9 Successors.

All the covenants and provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent shall bind and enure to the benefit of their respective successors and assigns hereunder.

Section 5.10 Benefits of this Agreement.

This Agreement shall be for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights; nothing in this Agreement shall be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement.

Section 5.11 Governing Law.

This Agreement and each Right issued hereunder shall be deemed to be a contract made under the laws of the Province of Ontario and for all purposes shall be governed by and construed in accordance with the laws of such province and the federal laws of Canada applicable therein.

Section 5.12 Severability.

If any Section, subsection, term or provision hereof or the application thereof to any circumstances or any right hereunder shall, in any jurisdiction and to any extent, be invalid or unenforceable, such Section, subsection, term or provision or such right shall be ineffective only in such jurisdiction and to the extent of such invalidity or unenforceability in such jurisdiction without invalidating or rendering unenforceable or ineffective the remaining Sections, subsections, terms and provisions hereof or rights hereunder in such jurisdiction or the application of such Section, subsection, term or provision or rights hereunder in any other jurisdiction or to circumstances other than those as to which it is specifically held invalid or unenforceable.

Section 5.13 Effective Date.

(a) This Agreement is effective and in full force and effect in accordance with its terms and conditions from and after the date hereof (the "**Effective Date**"). This Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the Expiration Time.

(b) Notwithstanding Section 5.13(a), if this Agreement is not approved by resolution passed by a majority of the votes cast by Independent Shareholders (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed) who vote in respect of such approval at the ~~2023~~2026 annual and special meeting of shareholders of the Corporation, then this Agreement and all outstanding Rights shall terminate and be void and of no further force and effect from and after the end of such meeting of the shareholders of the Corporation.

(c) This Agreement must be reconfirmed by a resolution passed by a majority of the votes cast by Independent Shareholders (subject to any additional requirements relating to such vote prescribed by a stock exchange on which the Voting Shares are then listed) at the annual meeting of shareholders of the Corporation to be held in ~~2026~~2029 and at every third annual meeting of shareholders of the Corporation thereafter. If the Agreement is not so reconfirmed or is not presented for reconfirmation at such annual meeting, the Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the date of termination of such annual meeting; provided that the termination shall not occur if a Flip-In-Event has occurred (other than a Flip-In-Event which has been waived pursuant to Section 5.1(c) and Section 5.1(d)) prior to the date upon which this Agreement would otherwise terminate pursuant to Section 5.13.

Section 5.14 Determinations and Actions by the Board of Directors.

All actions, calculations and determinations (including all omissions with respect to the foregoing) which are done or made by the Board of Directors, in good faith, in relation to or in connection with this Agreement, shall not subject the Board of Directors or any director of the Corporation to any liability to the holders of the Rights.

Section 5.15 Rights of Board, Corporation and Offeror.

Without limiting the generality of the foregoing, nothing contained herein shall be construed to suggest or imply that the Board of Directors shall not be entitled to recommend that holders of Voting Shares reject or accept any ~~Take-over~~Take-Over Bid or take any other action (including, without limitation, the commencement, prosecution, defence or settlement of any litigation and the submission of additional or alternative ~~Take-over~~Take-Over Bids or other proposals to the holders of Voting Shares) with respect to any ~~Take-over~~Take-Over Bid or otherwise that the Board of Directors believes is necessary or appropriate in the exercise of its fiduciary duties.

Section 5.16 Regulatory Approvals.

This Agreement shall be subject in any jurisdiction to the receipt of any required prior or subsequent approval or consent from any governmental or regulatory authority in such jurisdiction including any securities regulatory authority or stock exchange. Any obligations of the Corporation or action contemplated by this Agreement, including any amendment hereto, shall be subject to the receipt of any requisite approval or consent from any applicable regulatory authority, including without limitation, any necessary approvals of the Toronto Stock Exchange or any other exchange.

Section 5.17 Declaration as to Non-Canadian Holders.

If in the opinion of the Board of Directors (who may rely upon the advice of counsel) any action or event contemplated by this Agreement would require compliance with the securities laws or comparable legislation of a jurisdiction outside Canada, the Board of Directors acting in good faith may take such actions as it may deem appropriate to ensure such compliance. In no event shall the Corporation or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction other than Canada in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes, or (until such notice is given as required by law) without advance notice to any regulatory or self-regulatory body.

Section 5.18 Time of the Essence.

Time shall be of the essence in this Agreement.

Section 5.19 **Liability**

Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Rights Agent shall not be liable under any circumstances whatsoever for any (a) breach by any other party of securities law or other rule of any securities regulatory authority, (b) lost profits or (c) special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

Section 5.20 **Execution in Counterparts.**

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Agreement.

NEO PERFORMANCE MATERIALS INC.

By: ~~*"Constantine Karayannopoulos"*~~
Authorized Signing Officer

By: ~~*"Rahim Suleman"*~~
Authorized Signing Officer

COMPUTERSHARE INVESTOR SERVICES INC.

By: ~~*"Laura Stone"*~~
Authorized Signing Officer

By: ~~*"Keith Clermont"*~~
Authorized Signing Officer

SCHEDULE "A"

FORM OF RIGHTS CERTIFICATE

Certificate No. _____________ _____________ **Rights**

THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE CORPORATION, ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SECTION 3.1(b) OF THE RIGHTS AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON, ANY PERSON ACTING JOINTLY OR IN CONCERT WITH AN ACQUIRING PERSON OR THEIR RESPECTIVE ASSOCIATES AND AFFILIATES (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT) AND THEIR RESPECTIVE TRANSFEREES SHALL BECOME VOID WITHOUT ANY FURTHER ACTION.

RIGHTS CERTIFICATE

This certifies that __________________ or registered assigns, is the registered holder of the number of Rights set forth above each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Shareholder Rights Plan Agreement entered into as of September 20, 2022, as amended and restated as of June 8, 2023, and further amended and restated as of June 17, 2026, and as may be further amended and restated from time to time (the "**Rights Agreement**"), between Neo Performance Materials Inc., a corporation existing under the laws of the Province of Ontario (the "**Corporation**"), and Computershare Investor Services Inc., a trust company existing under the laws of Canada, as rights agent (the "**Rights Agent**", which term shall include any successor Rights Agent under the Rights Agreement) to purchase from the Corporation at any time after the Separation Time (as such term is defined in the Rights Agreement) and prior to the Expiration Time (as such term is defined in the Rights Agreement) (or such earlier expiration time as is provided in the Rights Agreement) one fully paid and non-assessable Common Share of the Corporation (a "**Common Share**") at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate together with the Form of Election to Exercise duly executed and submitted to the Rights Agent at its principal offices in Toronto, Ontario. The Exercise Price per Right shall be determined from time to time in accordance with the terms of the Rights Agreement.

In certain circumstances described in the Rights Agreement, each Right evidenced hereby may entitle the registered holder thereof to purchase or receive assets, debt securities or other equity securities of the Corporation (or a combination thereof) all as provided in the Rights Agreement.

This Rights Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, the Corporation and the holders of the Rights. Copies of the Rights Agreement are on file at the registered head office of the Corporation and are available upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights entitling the holder to purchase a like aggregate number of Common Shares as the Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate shall be exercised in part, the registered holder shall be entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Rights Certificate may be, and under certain circumstances are required to be, redeemed by the Corporation at a redemption price of $0.000001 per Right.

No fractional Common Shares will be issued upon the exercise of any Right or Rights evidenced hereby.

No holder of this Rights Certificate, as such, shall be entitled to vote, receive dividends or be deemed for any purpose the holder of Common Shares or of any other securities of the Corporation which may at any time be issuable upon the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof any of the rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders of the Corporation at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders of the Corporation (except as expressly provided in the Rights Agreement), or to receive dividends, distributions or subscription rights, or otherwise until the Rights evidenced by this Rights Certificate shall have been exercised as provided in the Rights Agreement.

This Rights Certificate shall not be valid or obligatory for any purpose until it shall have been manually countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Corporation.

Dated ______________________

NEO PERFORMANCE MATERIALS INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________
Authorized Signing Officer

COMPUTERSHARE INVESTOR SERVICES INC.

By: ______________________________
Authorized Signing Officer

By: ______________________________

(To be attached to each Rights Certificate)

FORM OF ELECTION TO EXERCISE

TO: NEO PERFORMANCE MATERIALS INC.

AND TO: COMPUTERSHARE INVESTOR SERVICES INC.

The undersigned hereby irrevocably elects to exercise __________ whole Rights represented by the attached Rights Certificate to purchase the Common Shares issuable upon the exercise of such Rights and requests that certificates for such Common Shares be issued to:

____
(NAME)

____
(ADDRESS)

____
(CITY AND PROVINCE OR STATE-)

If such number of Rights shall not be all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

____
(NAME)

____
(ADDRESS)

____
(CITY AND PROVINCE OR STATE)

____
SOCIAL INSURANCE, SOCIAL SECURITY OR OTHER TAXPAYER NUMBER

Dated ____________________________

Signature Guaranteed ____
Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a schedule I Canadian chartered bank, a member of a recognized stock exchange or a member of a recognized Medallion Program.

To be completed if true

The undersigned hereby represents, for the benefit of all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or any Person acting jointly or in ~~consent~~concert with any of the foregoing or any Affiliate or Associate of such Person (as defined in the Rights Agreement).

____
Signature

NOTICE

In the event the certification set forth in the Form of Election to Exercise is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement).

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Rights Certificate)

FOR VALUE RECEIVED ____ hereby sells,

assigns and transfers unto ____
(Please print name and address of transferee)

the Rights represented by this Rights Certificate, together with all right, title and interest therein and does hereby irrevocably constitute and appoint ______________________________ as attorney to transfer the within Rights on the books of the Corporation, with full power of substitution.

Dated ___________________________

Signature Guaranteed

____
Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a schedule I Canadian chartered bank, a member of a recognized stock exchange or a member of a recognized Medallion Program.

To be completed if true

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or any other Person acting jointly or in concert with any of the foregoing or any Affiliate or Associate of such Person (as such terms are defined in the Rights Agreement).

____
Signature

NOTICE

In the event the certification set forth in the Form of Assignment is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement) and accordingly such Rights will be null and void.

APPENDIX “I”

Summary of Principal Terms of the Second Amended and Restated Shareholder Rights Plan

This summary is qualified in its entirety by reference to the full text of the amended and restated shareholder rights plan agreement to be dated on or about June 17, 2026 (the "**Effective Time**"), between Neo Performance Materials Inc. (the "**Company**") and Computershare Investor Services Inc., as amended from time to time in accordance with its terms (the "**Second A&R Rights Plan**"). A copy of the Second A&R Rights Plan is attached as Appendix “G” to this Circular and this summary is qualified in its entirety by reference to the text of the Second A&R Rights Plan. Capitalized terms used in this summary without express definition have the meanings ascribed thereto in the Second A&R Rights Plan.

The below summary reflects the terms of the Second A&R Rights Plan, established in accordance with National Instrument 62-104 — *Take-Over Bids and Issuer Bids* (“**NI 62-104**”).

Issue of Rights

The Company will issue one right (a "**Right**") in respect of each common share (each a "**Common Share**") of the Company outstanding as at the Record Time (as defined in the Second A&R Rights Plan). The Company will issue Rights on the same basis for each Common Share issued after the Record Time but prior to the earlier of the Separation Time (as defined below) and the Expiration Time (as defined below).

Rights Certificates and Transferability

Before the Separation Time, the Rights will be evidenced by the registered ownership of the Common Shares (whether or not evidenced by a certificate representing such Common Shares) and the Rights will not be transferable separate from the Common Shares. From and after the Separation Time, the Rights will be evidenced by separate Rights Certificates which will be transferable separate from and independent of the Common Shares.

Exercise of Rights

Rights are not exercisable before the Separation Time. After the Separation Time and before the Expiration Time, each Right entitles the holder (other than holders described below) to acquire that number of Common Shares having an aggregate Market Price on the date of the occurrence of the Flip-In Event (as defined below) equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (subject to certain anti-dilution adjustments).

Definition of "Acquiring Person"

Subject to certain exceptions, an Acquiring Person is a person who is the Beneficial Owner (as defined below) of 20% or more of the outstanding Common Shares.

Definition of "Beneficial Ownership"

Under the Second A&R Rights Plan, a person shall be deemed the "Beneficial Owner" of, and to have "Beneficial Ownership" of, and to "Beneficially Own":

1. any securities of which such person or any Affiliate or Associate of such person or any other person acting jointly or in concert with such person is the owner in law or equity;

2. subject to certain exceptions, any securities as to which such person or any Affiliate or Associate of such person or any other person acting jointly or in concert with such person has the right to acquire upon the exercise of any Convertible Securities or pursuant to any agreement, arrangement or understanding, in each case if such right is exercisable immediately or within a period of 60 days thereafter; and

3. any securities which are subject to a lock-up or similar agreement to tender or deposit them into any Take-Over Bid (as defined in the Second A&R Rights Plan) made by such person or any Affiliate or Associate of such person or any other person acting jointly or in concert with such person.

However, a person is not deemed the "Beneficial Owner" of, or to have "Beneficial Ownership" of, or to "Beneficially Own" securities under the Second A&R Rights Plan where:

1. such securities have been agreed to be deposited or tendered pursuant to a Take-Over Bid, unless those securities have been taken up or paid for;

2. the holders of such securities have agreed to deposit or tender such securities to a Take-Over Bid pursuant to a Permitted Lock-Up Agreement (as defined below);

3. such person is an investment fund or mutual fund manager, a trust company, a statutory body established to manage funds of public bodies, a pension fund or a pension fund administrator or trustee, as long as such person is not making a Take-Over Bid or acting jointly or in concert with a person who is making a Take-Over Bid, the whole as more fully described in the Second A&R Rights Plan and subject to certain exceptions set forth therein; or

4. such person is a registered holder of securities as a result of carrying on the business of or acting as a nominee of a securities depository.

Definition of "Separation Time"

The Rights will separate and trade apart from the Common Shares after the Separation Time. The Separation Time occurs on the tenth trading day after the earlier of the following dates:

1. the first date of the public announcement or disclosure of facts indicating that a person has become an Acquiring Person;

2. the date of the commencement or announcement of the intent of a person to commence a Take-Over Bid (other than a Permitted Bid or Competing Permitted Bid (as such terms are defined below) so long as such Take-Over Bid continues to satisfy the requirements of a Permitted Bid or a Competing Permitted Bid) or such later date as determined by the board of directors of the Company (the "**Board**"); and

3. the date on which a Permitted Bid or Competing Permitted Bid ceases to qualify as such; or such later date as determined by the Board;

or, in each case, such later date as may be determined by the Board.

Definition of "Expiration Time"

Provided that the Second A&R Rights Plan is ratified by the requisite majority of Independent Shareholders of the Company at the Meeting or any adjournment(s) or postponement(s) thereof, Expiration Time occurs on the date being the earlier of:

1. the time at which the right to exercise Rights is terminated under the terms of the Second A&R Rights Plan; and

2. the close of business on the date the Second A&R Rights Plan is first terminated in accordance with its terms and conditions (see "**Term of the Rights Plan**" below).

Definition of "Flip-In Event"

A Flip-In Event occurs when a person becomes an Acquiring Person. Upon the occurrence of a Flip-In Event, any Rights that are beneficially owned by an Acquiring Person or by certain persons related to the Acquiring Person or by persons to whom the Acquiring Person has transferred its Rights will become null and void as a result of which the Acquiring Person's investment in the Company would be greatly diluted if a substantial portion of the Rights are exercised after a Flip-In Event occurs.

Definition of "Permitted Bid"

A Permitted Bid is a Take-Over Bid made by an Offeror (as defined in the Second A&R Rights Plan) pursuant to a take-over bid circular that complies with the following conditions:

1. the Take-Over Bid is made to all registered holders of Common Shares (other than Common Shares held by the Offeror);

2. the Take-Over Bid must contain the following irrevocable and unqualified conditions that no Common Shares shall be taken up or paid for

    a. prior to the close of business on a date which is not less than 105 days following the date of the bid, or such shorter minimum period as determined in accordance with section 2.28.2 or section 2.28.3 of NI 62-104 for which a Take-Over Bid (that is not exempt from any of the requirements of Division 5 (Bid Mechanics) of NI 62-104) must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to NI 62-104; and

    b. unless, at the close of business on the date Common Shares are first taken up or paid for under such bid, more than 50% of the then outstanding Common Shares held by Independent Shareholders shall have been tendered or deposited pursuant to the bid and not withdrawn;

3. unless the Take-Over Bid is withdrawn, Common Shares may be tendered or deposited at any time during the period which applies pursuant to the clause summarized in 2(a) above, and any Common Shares tendered or deposited pursuant to the take-over bid may be withdrawn until taken up and paid for; and

4. if the condition summarized in 2(b) above is satisfied, the Offeror may announce publicly the extension of the Take-Over Bid for a period of not less than ten days from the date of such public announcement;

provided, however, that a Take-Over Bid that previously qualified as a Permitted Bid ceases to be a Permitted Bid at any time it no longer meets any of the aforementioned conditions.

Definition of "Competing Permitted Bid"

The Second A&R Rights Plan allows a competing Permitted Bid (a "**Competing Permitted Bid**") to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the requirements of a Permitted Bid other than the requirement that no Common Shares shall be taken up and paid for prior to the close of business on a date which is not less than 105 days following the date of the Permitted Bid. The Competing Permitted Bid shall also contain an irrevocable and unqualified condition that no Common Shares shall be taken up or paid for pursuant to the take-over bid prior to the close of business on the last day of the minimum initial deposit period and that such take-over bid must remain open for deposits of securities thereunder pursuant to NI 62-104 after the date of the take-over bid constituting the Competing Bid.

Definition of "Permitted Lock-Up Agreement"

A Permitted Lock-Up Agreement is an agreement between a person making a Take-Over Bid (the "**Lock-Up Bid**") and one or more holders (each a "**Locked-Up Person**") of Common Shares, which is publicly disclosed no later than the date of the Lock-Up Bid and pursuant to which such Locked-Up Persons agree to deposit or tender Common Shares to the Lock-Up Bid and where the agreement:

1. either:

    a. permits the Locked-Up Person to withdraw Common Shares in order to tender or deposit such Common Shares to another Take-Over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Common Share that exceeds, or provides a value for each Common Share that is greater than, the offering price or value represented by or proposed to be represented by the Lock-Up Bid; or

    b. permits the Locked-Up Person to withdraw Common Shares in order to tender or deposit such Common Shares to another Take-Over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Common Share that exceeds, or provides a value for each Common Share that is greater than, the offering price or value, by at least 7% of the offering price or value that is represented by the Lock-Up Bid; and

2. if entered into in connection with a Lock-Up Bid for less than 100% of the Common Shares held by Independent Shareholders, either:

    a. permits the Locked-Up Person to withdraw Common Shares in order to tender or deposit such Common Shares to another Take-Over Bid (or terminate the agreement in order to support another transaction) if the number of Common Shares to be purchased under such other Take-Over Bid or transaction exceeds the number of Common Shares offered to be purchased under the Lock-Up Bid, at an offering price for each Common Share that is not less than, and provides a value for each Share that is not less than, the offering price or value represented by the Lock-Up Bid; or

    b. permits the Locked-Up Person to withdraw Common Shares in order to tender or deposit such Common Shares to another Take-Over Bid (or terminate the agreement in order to support another transaction) if the number of Common Shares to be purchased under such other Take-Over Bid or transaction exceeds the number of Common Shares offered to be purchased under the Lock-Up Bid by as much or more than a specified number of Common Shares not greater than 7% of the number of Common Shares offered to be purchased under the Lock-Up Bid, at an offering price for each Common Share that is not less than, and provides a value for each Share that is not less than, the offering price or value represented by the Lock-Up Bid;

3. provides for no "break-up" fees, "top-up" fees, penalties, payments, expenses or other amounts that exceed in the aggregate the greater of: (a) the cash equivalent of 2.5% of the price or value payable under the Lock-Up Bid to the Locked-Up Person; and (b) 50% of the amount by which the price or value payable under another Take-Over Bid or another transaction to a Locked-Up Person exceeds the price or value of the consideration that such Locked-Up Person would have received under the Lock-Up Bid, to be payable, directly or indirectly, by such Locked-Up Person pursuant to the agreement if any Locked-Up Person fails to tender Common Shares pursuant thereto or withdraws Common Shares previously tendered thereto in order to tender such Common Shares to another Take-Over Bid or support another transaction.

Trading of Rights.

Until the Separation Time, the Rights will be evidenced by Common Share certificates. The Second A&R Rights Plan provides that until the Separation Time, the Rights will be transferred only with the associated Common Shares.

After the Record Time but prior to the Separation Time and the Expiration Time, each new Common Share certificate issued after the Record Time will display a legend incorporating the terms of the Second A&R Rights Plan by reference. Until the earlier of the Separation Time and the Expiration Time, separate certificates evidencing the Rights ("**Rights Certificates**") will be mailed to registered shareholders as of the Separation Time, and thereafter the Rights Certificate alone will evidence the Rights.

Fiduciary Duties of Directors

The Second A&R Rights Plan will not detract from or lessen the duties of the Board, including the duty to act honestly and in good faith with a view to the best interests of the Company and its Shareholders. The Board will continue to have the duty and power to take such actions and make such recommendations to the Company's shareholders as are considered appropriate.

Redemption of Rights

The Rights may be redeemed by the Board at its option with the prior approval of the shareholders at any time before a Flip-In Event occurs at a redemption price of $0.000001 per Right. In addition, the Rights will be redeemed automatically in the event of a successful Permitted Bid, Competing Permitted Bid or a bid for which the Board has waived, in accordance with the provisions of the Second A&R Rights Plan, the operation of the Second A&R Rights Plan.

Waiver

Before a Flip-In Event occurs, the Board may waive the application of the "Flip-In" provisions of the Second A&R Rights Plan to any prospective Flip-In Event which would occur by reason of a Take-Over Bid made by a take-over bid circular to all registered holders of Common Shares. However, if the Board waives the Second A&R Rights Plan with respect to a particular bid, it will be deemed to have waived the Second A&R Rights Plan with respect to any other Take-Over Bid made by take-over bid circular to all registered holders of Common Shares before the expiry of that first bid.

The Board may also waive the "Flip-In" provisions of the Second A&R Rights Plan in respect of any Flip-In Event provided that the Board has determined that the Acquiring Person became an Acquiring Person through inadvertence and on the condition that such Acquiring Person reduces its ownership to such a level that it is no longer an Acquiring Person.

Other waivers of the "Flip-In" provisions of the Second A&R Rights Plan will require prior approval of the shareholders of the Company.

Term of the Second A&R Rights Plan

Provided that the Second A&R Rights Plan is reconfirmed and approved by the requisite majority of Independent Shareholders of the Company at the Meeting or any adjournment(s) or postponement(s) thereof, subject to the approval of the Toronto Stock Exchange, the Second A&R Rights Plan will be in effect until the date of the Company's annual meeting of shareholders to be held in 2029, unless terminated earlier in accordance with the terms and conditions of the Second A&R Rights Plan.

The Second A&R Rights Plan must be reconfirmed by a resolution passed by the requisite majority of the votes cast by Independent Shareholders at the annual meeting of shareholders of the Company to be held in 2029 and at every third annual meeting of shareholders of the Company thereafter. If the Second A&R Rights Plan is not so reconfirmed or is not presented for reconfirmation at such annual meeting, the Second A&R Rights Plan and all outstanding Rights shall terminate and be void and of no further force and effect on and from the date of termination of such annual meeting.

Amending Power

Except for minor amendments to correct clerical or typographical errors and amendments to maintain the validity of the Second A&R Rights Plan as a result of a change in any applicable legislation or regulations or rules thereunder, consent of Shareholders is required for amendments to the Second A&R Rights Plan before the Separation Time and consent of the holders of Rights is required for amendments to the Second A&R Rights Plan after the Separation Time and before the Expiration Time.

Rights Agent

Computershare Investor Services Inc.

Rightholder not a Shareholder

Until a Right is exercised, the holder thereof as such will have no rights as a Shareholder of the Company.

QUESTIONS MAY BE DIRECTED OT THE PROXY SOLICITATION AGENT

LAUREL HILL ADVISORY GROUP

North American Toll Free: 1-877-452-7184

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Text Message: Text "INFO" to 416-304-0211 or 1-877-452-7184

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