



**MINCO** 明科银矿公司  
**SILVER CORPORATION**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
AND MANAGEMENT INFORMATION CIRCULAR**

**Time:** June 28, at 11:00 a.m. (Vancouver time)

**Place:** Suite 2060, 1055 West Georgia Street  
Vancouver, BC  
Canada V6E 3R5

**MINCO SILVER CORPORATION**

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**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JUNE 28, 2024**

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TO: The Shareholders of Minco Silver Corporation.

TAKE NOTICE that the 2024 Annual General and Special Meeting of the Shareholders of **MINCO SILVER CORPORATION**. (hereinafter called the "Corporation") will be held at Suite 2060 - 1055 West Georgia Street, Vancouver, British Columbia, on:

**FRIDAY, JUNE 28, 2024**

At the hour of 11:00 a.m. (Vancouver time) for the following purposes:

1. to receive the financial statements of the Corporation for the financial year ended December 31, 2023, together with the report of the auditors thereon;
2. to set the number of directors at four;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration; and
5. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution (the "Long-Term Incentive Plan Resolution") in the form attached as Appendix "A" to the management information circular of the Corporation dated May 24, 2024 ("the Information Circular") ratifying and approving the Corporation's Long-Term Incentive Plan in the form set out in Appendix "B" to the Information Circular.

Accompanying this notice of meeting is the management information circular, a form of proxy and a financial statement request form.

A shareholder entitled to attend and vote at the Meeting can appoint a proxyholder to attend and vote in his stead. If you cannot attend the Meeting, or any adjournment thereof in person, please read the Notes Accompanying the Form of Proxy enclosed herewith and then complete and return the Proxy within the time set out in the Notes. Management solicits the enclosed Form of Proxy, but, as set out in the Notes, you may amend it if you so desire by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting.

DATED at Vancouver, British Columbia, this 24th day of May 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

*/s/ Ken Z. Cai*

Ken Z. Cai

Chairman, Chief Executive Officer and Director

*If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.*

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## MANAGEMENT INFORMATION CIRCULAR

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*UNLESS OTHERWISE NOTED, INFORMATION IS PROVIDED AS AT May 24, 2024, FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 28, 2024 (THE "MEETING").*

**This management Information Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Minco Silver Corporation (the "Corporation") for use at the annual meeting (the "Meeting") of the shareholders of the Corporation (the "Shareholders") to be held at Suite 2060 - 1055 West Georgia Street, Vancouver, British Columbia on Friday, June 24, 2024, at 11:00 a.m. (Vancouver time) and any adjournments thereof for the purposes set out in the accompanying Notice of Meeting.** Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, electronically or by telephone by directors, officers, employees or consultants of the Corporation. Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Corporation ("**Common Shares**") pursuant to the requirements of National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**National Instrument 54-101**").

The Canadian securities regulators have adopted new rules under National Instrument 54-101, which permit the use of notice-and-access for proxy solicitation, instead of the traditional physical delivery of material. This new process provides the option to post meeting-related materials, including management information circulars, annual financial statements and related management discussion and analysis, on a website in addition to SEDAR. Under notice-and-access, such meeting-related materials will be available for viewing for up to one (1) year from the date of posting, and a paper copy of the material can be requested at any time during this period. The Corporation is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy-related materials to registered shareholders or beneficial owners of shares in connection with the Meeting.

The Corporation may reimburse shareholders' nominees or intermediaries (including brokers or their agents' holding shares on behalf of clients) for the cost incurred in obtaining from their principal's authorization to execute forms of proxy. The Corporation will bear the cost of any such solicitation. Unless otherwise stated, the information contained in this Information Circular is given as of May 24, 2024.

### RECORD DATE

The board of directors of the Corporation (the "**Board**") has set the close of business on May 24, 2024, as the record date (the "**Record Date**") for determining which shareholders of the Corporation shall be entitled to receive notice of and to vote at the Meeting. Only shareholders of record as of the Record Date are entitled to receive notice of and to vote at the Meeting, unless after the Record Date a shareholder of record transfers his, her or its common shares and the transferee (the "**Transferee**"), upon establishing that the Transferee owns such common shares, requests in writing, at least ten days prior to the Meeting or at any adjournment(s) or postponement(s) thereof, that the Transferee may have his, her or its name included on the list of shareholders entitled to vote at the Meeting. In such case, the Transferee, upon fulfilling the necessary requirements, will be entitled to vote such shares at the Meeting. A such written request by the Transferee shall be filed with the Corporate Secretary of the Corporation at Suite 2060-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 3R5.

## APPOINTMENT OF PROXYHOLDERS

The persons named in the accompanying form of proxy (the "Proxy") as proxyholders are management's representatives. A shareholder of the Corporation wishing to appoint some other person or company (that need not be a shareholder of the Corporation) to represent him, her or it at the Meeting may do so either by striking out the printed names and inserting the desired person or company's name in the blank space provided in the Proxy or by completing another Proxy and, in either case, delivering the completed Proxy to the office of Computershare Investor Services Inc., Attn.: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

## VOTING OF PROXIES

If the Proxy is completed, signed and delivered to the Corporation, the person(s) named as proxyholders therein shall vote or withhold from voting the common shares in respect of which they are appointed as proxyholders at the Meeting in accordance with the instructions of the shareholder of the Corporation appointing them, on any show of hands and/or on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the person(s) appointed as proxyholder shall vote accordingly. The Proxy confers discretionary authority upon the person(s) named therein with respect to (a) each matter or group of matters identified therein for which a choice is not specified; (b) any amendment to or variation of any matter identified therein; and (c) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Information Circular, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting. However, if other matters should properly come before the Meeting, the Proxy will vote on such matters in accordance with the best judgment of the person(s) voting for the Proxy.

**If no choice is specified by a shareholder of the Corporation with respect to any matter identified in the Proxy or any amendment or variation to such matter, it is intended that the persons designated by management in the Proxy will vote the shares represented thereby in favour of such matter.**

## NON-REGISTERED HOLDERS

**Only registered shareholders or duly appointed proxyholders can vote at the Meeting. Most shareholders of the Corporation are "non-registered shareholders" because the shares they own are not registered in their name but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their shares.** More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, and similar plans); or (b) in the name of a depository (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of applicable securities laws, the Corporation has distributed copies of the Meeting Materials to the depositories and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the Proxy, this Proxy is not required to be signed by the Non-Registered Holder when submitting the Proxy. In this case, the Non-Registered Holder who wishes to submit the Proxy should otherwise properly complete the Proxy and deliver it to the offices of the Corporation; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a proxy authorization form) which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder's name in the blank space provided, or in the case of a proxy authorization form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form will be delivered.**

#### **REVOCABILITY OF PROXY**

Any shareholder of the Corporation returning the enclosed Proxy may revoke the same at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by an instrument in writing duly executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and delivered either to Computershare Investor Services Inc. or to the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof, or with the chairperson of the Meeting prior to the commencement of the Meeting. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Corporation's authorized capital consists of unlimited common shares without par value. As of the Record Date, there were 61,025,083 common shares of the Corporation outstanding. Each common share entitles the holder thereof to one vote.

The following table lists, to the knowledge of management of the Corporation, those persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation as at the date hereof:

Name	Number of Common Shares	Percentage of Common Shares
Minco Capital Corporation	11,000,000	18.02%
Blue Sky Strategic Holdings I & II Ltd.	8,331,600	13.65%

### ELECTION OF DIRECTORS

The Board recommends four persons (the "**Nominees**") for election at the Meeting. Each of the four persons whose name appears below is proposed by the Board to be nominated for election as a director of the Corporation to serve until the next annual general meeting of the shareholders or until the director sooner ceases to hold office.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), the Board has adopted a majority voting policy, which requires, at uncontested shareholder meetings, that any nominee for director who has more votes withheld than are voted in favour of him or she shall submit his or her resignation to the Board, effective on the acceptance of the Board. A director who tenders a resignation pursuant to this policy will not participate in any meeting of the Board or any sub-committee of the Board at which the resignation is considered. The Nominating Committee will, in such circumstances, put forward a recommendation to the Board on whether to accept the tendered resignation or reject it. The Board will promptly accept the resignation unless the Board determines, after consideration of the committee's recommendation, that there are exceptional circumstances relating to the composition of the Board or the voting results or otherwise that should delay the acceptance of the resignation or justify rejecting it. In any event, the resignation shall be accepted, absent such exceptional circumstances, within 90 days of the Meeting. The Corporation will promptly issue a news release with the Board's decision, a copy of which will be provided to TSX. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision.

The following table states the names of the Nominees, all offices of the Corporation now held by him, his present principal occupation, the period for which he has been a director of the Corporation and the number of securities of the Corporation beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Province and Country of Residence	Present Principal Occupation	Current Position(s) with the Corporation	Director Since	Number of Securities Held
Ken Z. Cai Beijing, China	Chairman and Chief Executive Officer of the Corporation, Chief Executive Officer of Minco Capital Corporation and Chief Executive Officer of HempNova Lifetech Corporation	Chairman, Chief Executive Officer, and Director	August 20, 2004	Common Shares: 4,672,600 Options: 2,160,000
Maria Tang <sup>(1)(2)(3)</sup> British Columbia, Canada	President of HempNova Lifetech Corporation	Director	July 27, 2015	Common Shares: Nil Options: 1,066,000
George Lian <sup>(1)(3)(4)(5)</sup> British Columbia, Canada	Mr. Lian has been a Director and Chief Financial Officer of Arcland Resources Inc. from August 2010 to the present.	Director	June 28, 2010	Common Shares: Nil Options: 1,280,000
Tim Sun <sup>(1)(3)(5)(6)</sup> Hong Kong, SAR	Dr. Sun is a Businessman.	Director	March 28, 2011	Common Shares Nil Options: 1,066,000

- (1) Member of the Audit Committee.  
(2) Chair of the Audit Committee.  
(3) Member of the Compensation Committee.  
(4) Chair of the Compensation Committee.  
(5) Member of the Nominating Committee  
(6) Chair of the Nominating Committee.

### **CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

Except as otherwise disclosed herein, to the knowledge of management of the Corporation, none of the proposed directors is as at the date hereof, nor has been within the past ten (10) years: (i) a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while he was acting in such capacity, or after he ceased to act in such capacity and which resulted from an event that occurred while he was acting in such capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied such company access to any exemption under securities legislation, that was in effect for more than thirty (30) consecutive days; (ii) a director or executive officer of any company (including the Corporation) that, while he was acting in such capacity or within a year of him ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (iii) has been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold any of his assets.

To the knowledge of the management of the Corporation, none of the proposed directors has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has had any other penalties or sanctions imposed on him by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for him as director of the Corporation.

## STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to applicable securities legislation, the Corporation is required to provide a summary of all annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the most recently completed financial year in respect of the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the other three most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeded \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was neither serving as an executive officer nor was acting in a similar capacity, at the end of the most recently completed financial year (the "Named Executive Officers" or "NEOs").

### Compensation Discussion and Analysis

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

The Corporation is currently in the process of obtaining the permits necessary to commence construction of the mine at its flagship Fuwan Silver Project. Success in this regard depends greatly on the Corporation's ability to attract, retain and motivate high-performing employees within the organization. The Compensation Committee does not benchmark its executive compensation program but from time to time does review compensation practices of companies of similar size and stage of development to ensure that the compensation paid is competitive with similar-sized issuers within the Corporation's industry and geographic location. Executive officers are rewarded based on the skill and level of responsibility involved in their position, the individual's experience and qualifications, taking into consideration the Corporation's resources and current industry practices, and overall contribution to the success of the Corporation. To date, given the Corporation's stage of development, the Board has not considered it appropriate to implement formal performance goals or milestones to assess executive performance. The Corporation relies solely on the Compensation Committee's review and recommendation for determining executive compensation.

The Compensation Committee has implemented three forms of compensation for the Corporation's executive officers.

#### 1. Base Salary/Consulting Fees

Executive officers are paid a base salary or consulting fee to reward individual performance and the discharge of duties. This component of compensation is determined with reference to industry norms, experience, past performance, and level of responsibility. The Corporation shares common management with Minco Capital Corp. ("**Minco Capital**") (hereinafter referred to as the "**Minco Group**"). A base compensation amount payable to each executive officer on the basis of his/her service to the entire Minco Group is set annually through a negotiated process among the boards of directors of each Minco Group company. Through this negotiation process, the boards arrive at a global salary amount for each executive officer to be split among each entity in the Minco Group. The amount of an executive officer's salary allocated to a particular entity at the end of a fiscal period is determined based on the percentage of the executive officer's working time spent on projects relating to that company.



Annually, the Board negotiates directly with the NEOs to set a base salary or consulting fee for the upcoming fiscal year. Base compensation for the most recently completed financial year should not be considered as an indicator of expected base compensation levels in future periods as compensation levels may fluctuate depending on the outcome of the Board's salary negotiations with the NEOs. All compensation is subject to and dependent on the Corporation's financial resources and forecasts.

## **2. Annual Bonuses**

Annual bonuses are variable components of compensation and are short-term incentives. In special circumstances, the Compensation Committee may award annual cash bonuses to reward executives for corporate, business or individual achievements. The Compensation Committee also uses pre-existing performance milestones to grant cash bonuses. The Compensation Committee then assesses the performance of the Corporation and its executive officers against the achievement of the Corporation's business strategy and the performance of each executive officer annually in relation to applicable performance milestones. It then determines the award amount, if any, at its discretion.

### *CEO*

Under the terms of his consulting agreement, the CEO is eligible for a bonus of up to 100% of the consulting fees paid during a particular fiscal year. In 2023, the annual bonus payable to the CEO was granted in reference to the following performance milestones set by the Compensation Committee, with input from the CEO, at the start of the fiscal year:

(i) completion of the sales of the project in China; (ii) successfully recover the loan, interest and fees from the outstanding note; (iii) complete an acquisition of a project; and (iv) efficient day-to-day management of the Corporation.

The Compensation Committee determines the bonus based on a weighted percentage given to each milestone.

## **3. Long-Term Incentive Plan**

The Compensation Committee may award executive officers' long-term incentives in the form of restricted share units ("**RSUs**"), performance share units ("**PSUs**"), deferred share units ("**DSUs**") and options to purchase common shares of the Corporation ("**Options**") pursuant to the Corporation's Long Term Incentive Plan (the "**LTIP**"). The Corporation believes that compensation to executive officers in the form of RSUs, PSUs, DSUs and Options better aligns the interests of executive officers and shareholders and encourages long-term value creation for shareholders. The Compensation Committee believes that RSUs, PSUs, DSUs and Options motivate a goal-driven management team and build long-term employee loyalty and retention. Previous grants under the LTIP are taken into account when considering new grants. However, the Compensation Committee does not have pre-existing performance criteria or objectives for the grants under the LTIP. The Compensation Committee has discretion when making an award of Options to impose a vesting schedule for such award as it deems appropriate.

As the Corporation pays each element of compensation for a different purpose, it makes decisions about each component independently of the others. Notwithstanding this fact, the Compensation Committee is always cognizant of the total size of each executive officer's compensation package and works to ensure that it is appropriate given the corporation's financial resources, size, and stage of development.

In 2023, the Compensation Committee did not consider the implications or the risks associated with the Corporation's compensation policies and practices. The Corporation periodically reviews its compensation practices to ensure they do not promote excessive risk-taking or are likely to affect the Corporation adversely. There is currently no prohibition on an executive officer or director of the Corporation from purchasing financial instruments to offset a decrease in the market value of equity securities held directly or indirectly by that executive officer. To the Corporation's knowledge, no executive officer or director of the Corporation has entered into or purchased such a financial instrument.

Shareholders are referred to the full text of the Long-Term Incentive Plan, a copy of which is attached as Appendix "B" for complete details.

The renewal of the Long-Term Incentive Plan must be approved by an ordinary resolution of the shareholders to become effective.

**The persons named in the enclosed proxy form intend to vote at the Meeting In Favour of this resolution unless the shareholder has specified in the form of proxy that its shares are to be voted against the resolution.**

### **Compensation Governance**

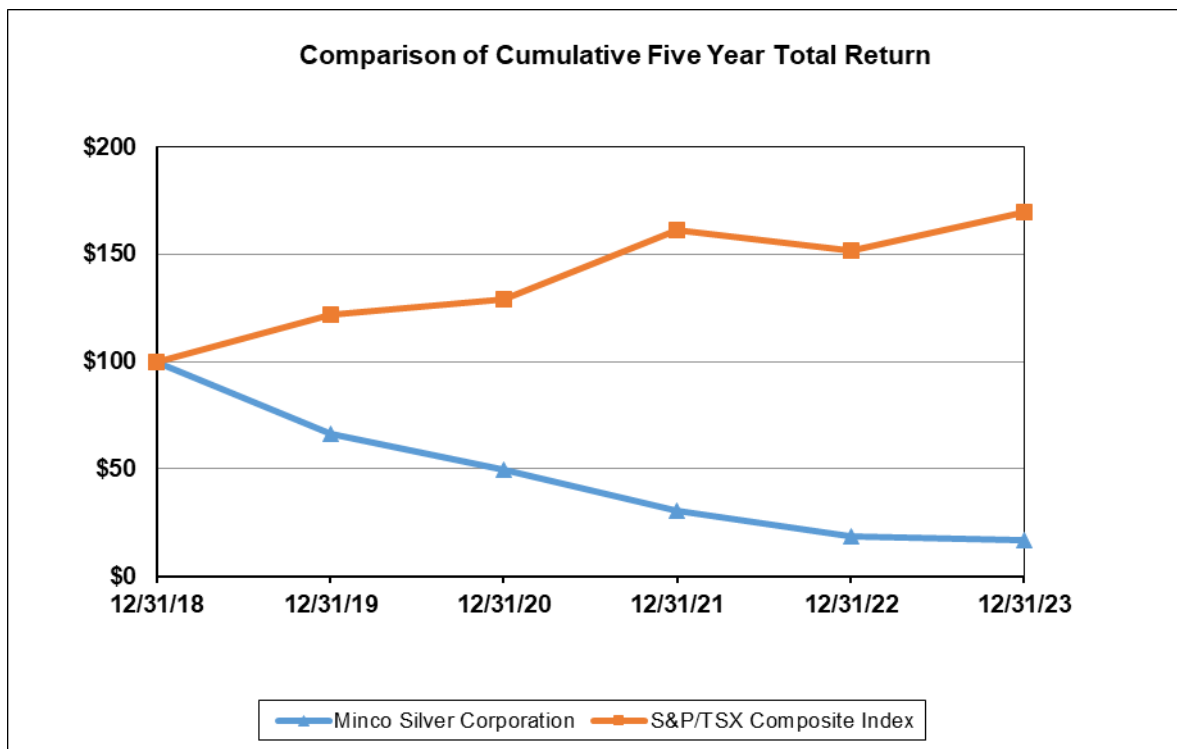
The Corporation's Compensation Committee is comprised of George Lian (Chair), Maria Tang and Tim Sun, all of whom are independent directors within the meaning set out in National Instrument 52-110 – *Audit Committees* ("NI 52-110"). The Compensation Committee compares the total compensation package for each executive officer of the Corporation against a group a reference group of comparable companies, each year. The Compensation Committee can retain consultants to assist them in determining executive compensation decisions if they deem it necessary.

All three members of the Compensation Committee are experienced participants in the capital markets who have experience sitting on corporate boards and the Corporation's boards. The Compensation Committee is responsible for recommending Option grants and bonus awards to the Board and negotiating the NEOs' annual salaries or consulting fees.

### **Performance Graph**

The Corporation's common shares trade on the TSX under the symbol "MSV". The following graph compares the Corporation's cumulative total shareholder return on its common shares with the cumulative total return on the S&P/TSX Composite Index from December 31, 2019, to December 31, 2023. The graph illustrates the cumulative return on a \$100 investment in the Corporation's common shares made on December 31, 2018, compared with the cumulative return on a \$100 investment in the S&P/TSX Composite Index (assuming the reinvestment of dividends). The performance of the common shares, as set out in the graph below, does not necessarily indicate future price performance. Executive compensation has deviated slightly from the trends in the performance graph below. However, the Corporation believes that the trends in executive compensation generally reflect continuing progress at the Corporation's Fuwan Silver Project and Changkeng Gold Project.

<b>Total Return To Shareholders</b>						
<b>(Includes reinvestment of dividends)</b>						
<b>ANNUAL RETURN PERCENTAGE</b>						
<b>Years Ending</b>						
<b>Company / Index</b>	<b>12/31/19</b>	<b>12/31/20</b>	<b>12/31/21</b>	<b>12/31/22</b>	<b>12/31/23</b>	
<b>Minco Silver Corporation</b>	59.55	-25.35	-37.74	-39.39	-8.98	
<b>S&amp;P/TSX Composite Index</b>	22.88	5.60	25.09	-5.84	11.75	
<b>INDEXED RETURNS</b>						
<b>Years Ending</b>						
<b>Company / Index</b>	<b>Base Period</b>	<b>12/31/19</b>	<b>12/31/20</b>	<b>12/31/21</b>	<b>12/31/22</b>	<b>12/31/23</b>
<b>Minco Silver Corporation</b>	<b>100</b>	66.36	49.53	30.84	18.69	17.01
<b>S&amp;P/TSX Composite Index</b>	<b>100</b>	122.14	128.98	161.34	151.92	169.77



### Summary Compensation Table for Named Executive Officers

The following table (and notes thereto) states the name of each Named Executive Officer and his or her annual compensation, consisting of salary, bonus and other annual compensation, including RSUs, PSUs and Options granted, for the Corporation's three most recently completed financial years.

Name and principal position	Year	Salary/ Consulting Fees (\$)	Share-based awards (\$) <sup>(2)</sup>	Option-based awards (\$) <sup>(3)</sup>	Annual non-equity incentive plan compensation (\$) <sup>(4)</sup>	Pension value (\$)	All Other Compensation <sup>(5)</sup> (\$)	Total Compensation (\$)
Ken Z. Cai Chairman and Chief Executive Officer <sup>(1)</sup>	2023	372,554	Nil	Nil	246,899	Nil	118,670	738,123
	2022	367,410	Nil	Nil	Nil	Nil	119,458	486,868
	2021	362,337	Nil	Nil	Nil	Nil	141,005	503,342
Renee Lin <sup>(7)</sup> Chief Financial Officer	2023	75,950	Nil	Nil	18,000	Nil	Nil	93,950
	2022	41,000	Nil	Nil	Nil	Nil	Nil	41,000
Melinda Hsu <sup>(6)</sup> Former Chief Financial Officer	2022	48,225	Nil	Nil	Nil	Nil	Nil	48,225
	2021	70,625	Nil	Nil	Nil	Nil	Nil	70,625

- (1) As a managing director of the Corporation, Dr. Cai does not receive any director's fees relating to his role as a director.
- (2) A share-based award represents the fair value of the performance share unit when granted. The Company must meet certain criteria before the NEOs are entitled to these performance share units.
- (3) The Black Scholes valuation methodology was used to determine fair value on the grant date. Accordingly, the value shown for these options is not in-the-money value at the time of grant, but the theoretical value of the options based on the Black Scholes option pricing formula. Please see the table under "Outstanding Share-based Awards and Option-based Awards for Named Executive Officers" for the in-the-money value of these options on December 31, 2023.
- (4) Amounts represent cash bonuses awarded to the NEOs regarding the financial year.
- (5) Amount represents apartment rental in Beijing, living allowances and other benefits paid during the year
- (6) Ms. Hsu was appointed Chief Financial Officer on April 1, 2020, and left the company on July 13<sup>th</sup>, 2022.
- (7) Ms. Lin was appointed Chief Financial Officer on July 14, 2022.

### Outstanding Share-based Awards and Option-based Awards for Named Executive Officers

Name and principal position	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options <sup>(1)</sup> (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Ken Z. Cai Chairman and Chief Executive Officer	385,000	0.57	February 01, 2024	Nil	Nil	Nil
	360,000	0.455	April 6, 2025	Nil	Nil	Nil
	900,000	0.23	May 27, 2027	Nil	Nil	Nil
	900,000	0.195	June 2, 2028	Nil	Nil	Nil
Renee Lin <sup>(2)</sup> Chief Financial Officer	75,000	0.57	February 01, 2024	Nil	Nil	Nil
	70,000	0.455	April 6, 2025	Nil	Nil	Nil
	300,000	0.23	May 27, 2027	Nil	Nil	Nil
	300,000	0.195	June 2, 2028	Nil	Nil	Nil

- (1) Represents the number of outstanding Options, both vested and unvested.

(2) Ms. Lin was appointed CFO on July 14, 2022.

The table above states, as of December 31, 2023, the number of Options unexercised, the Option exercise price and the expiration date for each Option for each NEO named therein.

### Incentive Plan Awards – Value Vested or Earned During the Year for Named Executive Officers

Name and principal position	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (\$)
Ken Z. Cai Chairman and Chief Executive Officer	Nil	Nil	Nil
Renee Lin Chief Financial Officer	Nil	Nil	Nil

- (1) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date during the year, based on the difference between the market price of the Corporation's common shares and the exercise price on such vesting date.
- (2) The amount represents the aggregate dollar value realized upon vesting of share-based awards based on the market value of the underlying shares on the vesting date.

During the most recently completed financial year, the Named Executive Officers did not exercise any Options to purchase common shares of the Corporation under the LTIP.

### Pension Plan Benefits

The Corporation does not provide pension plan benefits to any NEO.

### Termination and Change of Control Benefits and Employment Contracts

The Corporation has entered into consulting agreements with certain of its NEOs.

#### *Chairman and CEO*

The Corporation's subsidiary, Minco Investment Holdings HK Limited ("**Minco Investment**"), has entered into a consulting agreement (the "**Agreement**") with Elite Investments Capital Limited ("Elite") dated January 1, 2021. Elite provides the Corporation with the consulting services of Dr. Ken Z. Cai. Under the terms of the Agreement, Dr. Cai is entitled to compensation based on his remuneration at the time, which includes salary and bonus, in the event of termination without cause.

If the Corporation terminates the Agreement without cause, Dr. Cai shall receive 24 months of compensation.

The Agreement shall terminate on the occurrence of any of the following events: (i) the mutual consent in writing of both parties to the Agreement to terminate the services; (ii) the termination of Dr. Cai's services by the Corporation with cause, which shall include a material breach by Dr. Cai of one or more of the terms of the Agreement; (iii) written notice given by one party to the other setting out a date for termination effective not less than six (6) months after the date on which the notice is deemed to be given; or if Dr. Cai's services are terminated with cause, no severance shall be provided. If Dr. Cai's services are terminated, the Corporation shall pay a severance equal to 24 months of fees.

If there is a take-over or change of control of Minco Investment or the Corporation resulting in the actual or constructive termination of Dr. Cai's services under the Agreement, the Corporation shall pay compensation equal to 24 months of fees in addition to the termination. This severance shall be paid as a lump sum on the day after Dr. Cai's termination.

If the Agreement had been terminated without cause on December 31, 2023, Dr. Cai would have received a cash payment of \$745,108. Dr. Cai's vested options would be canceled 30 days after the termination date without cause and immediately if terminated with cause.

### Compensation of Directors

The Corporation's directors receive an annual retainer fee and a fee for attending each meeting. The Chairman of each of the Corporation's committees receives an additional fee.

The Corporation's directors are granted Options annually as the Corporation's Compensation Committee recommends.

The table below discloses the compensation of the corporation's non-management directors for the most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Maria Tang	30,250	Nil	Nil	Nil	Nil	Nil	30,250
George Lian	25,250	Nil	Nil	Nil	Nil	Nil	25,250
Tim Sun	20,250	Nil	Nil	Nil	Nil	Nil	20,250

(1) The Black Scholes valuation methodology was used to determine fair value on the grant date. Accordingly, the value shown for these options is not in-the-money value at the time of grant, but the theoretical value of the options based on the Black Scholes option pricing formula—key assumptions and estimates used in the pricing model. Please see the table under “Outstanding Share-based Awards and Option-based Awards for Directors” for the in-the-money value of these options on December 31, 2023.

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

The Corporation's directors were granted options as recommended by the Corporation's Compensation Committee during the year ended December 31, 2023.

The table below states the name of each non-management director, the number of option-based awards and the value of the awards if the directors were to have exercised their Options on December 31, 2023.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
Maria Tang	106,000	0.57	February 01, 2024	Nil
	160,000	0.455	April 6, 2025	Nil
	400,000	0.23	May 27, 2027	Nil
	400,000	0.195	June 2, 2028	Nil
George Lian	190,000	0.57	February 01, 2024	Nil
	190,000	0.455	April 6, 2025	Nil
	450,000	0.23	May 27, 2027	Nil
	450,000	0.195	June 2, 2028	Nil
Tim Sun	160,000	0.57	February 01, 2024	Nil
	160,000	0.23	April 6, 2025	Nil
	400,000	0.23	May 27, 2027	Nil
	400,000	0.195	June 2, 2028	Nil

(1) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on December 31, 2022, based on the difference between the market price of the Corporation's common shares and the exercise price on such date.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The following table sets out information relating to the LTIP as of December 31, 2023

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by shareholders	8,071,000	0.30	1,082,762
Equity compensation plans not approved by shareholders	-	-	-

In accordance with the policies of the TSX, the following table sets out the annual burn rate, calculated in accordance with section 613(p) of the TSX Company Manual, of the LTIP for the three most recently completed financial years:

Year	Burn Rate <sup>(1)</sup>
2023	4.8%
2022	4.9%
2021	-

- (1) The annual burn rate is expressed as a percentage and is calculated by dividing the number of securities granted under the LTIP by the weighted average number of securities outstanding for the applicable fiscal year.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date of this Information Circular, no individual who is or was a director, executive officer or employee of the Corporation or any of its subsidiaries, any proposed nominee for election as a director of the Corporation or any associate of such director or officer, is or was, at the end of the most recently completed financial year, indebted to the Corporation or any of its subsidiaries since the beginning of the most recently completed financial year of the Corporation, or is or has been indebted to another entity that is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries during that period.

### **MANAGEMENT CONTRACTS**

To the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and senior officers of the Corporation.

### **AUDIT COMMITTEE**

For information regarding the Corporation's Audit Committee, please refer to the Corporation's Annual Information Form for the year ended December 31, 2023, under the heading "Audit Committee", available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

### **CORPORATE GOVERNANCE**

#### **Board of Directors**

The Board is responsible for managing and supervising the management of the business and affairs of the Corporation. Each year, the Board must review the relationship that each director has with the Corporation in order to satisfy themselves that the relevant independence criteria have been met.

Other than interests arising from shareholdings in the Corporation, all of the directors of the Corporation, other than Dr. Cai, are "independent" within the meaning set out in NI 52-110 in that they are free from any interest which could reasonably interfere with their exercise of independent judgment as directors of the Corporation. Dr. Cai is an executive officer of the Corporation and, therefore, not independent.



In order to facilitate its exercise of independent judgment in carrying out its responsibilities, the Board may establish informal committees on an as-needed basis consisting solely of independent directors to consider certain matters to be considered by the Board. The Board, or any committee, may also seek advice from outside advisors. The Board also follows a practice whereby any director who has an interest in a matter that the Board is considering must abstain from voting on the matter and exit the Board meeting while such matter is being considered by the Board.

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

Name of Director	Name of Other Reporting Issuer
Ken Z. Cai	Minco Capital Corp. HempNova Lifetech Corporation
Maria Tang	HempNova Lifetech Corporation New Pacific Metals Corp.

The independent directors do hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, in order to facilitate open and candid discussion among independent directors, communication among the independent directors also occurs on an informal and ongoing basis as such a need arises.

The Board does not have a chairman independent of management. Dr. Cai, the Chairman of the Board, is also the Corporation's CEO. The Board believes that this structure best reflects the entrepreneurial leadership of the Corporation. The Board is satisfied that the autonomy of the Board and its ability to function independently of management are protected through measures such as the Audit Committee, the Compensation Committee and the Nominating Committee being composed of all independent directors. In addition, the independent members of the Board meet separately from the non-independent members and the Board encourages its independent members to seek the advice of financial, legal or other consultants when necessary. George Lian has also been appointed as "lead director" to provide leadership to the independent directors of the Corporation.

Board committees assist in the effective functioning of the Board. All Board committees are currently comprised of all independent directors, which ensures that the views of independent directors are effectively represented. The Board has three committees: the Compensation Committee, the Nominating Committee and the Audit Committee. Special committees may be formed from time to time as required to review particular matters or transactions.

The Compensation Committee is responsible for the development, implementation and monitoring of the Corporation's compensation policy for executive officers and members of the Board.

The following are the members of the Compensation Committee:

George Lian (Chair)  
Tim Sun  
Maria Tang

The Nominating Committee was appointed by the Board to propose new nominees from time to time as the need arises.

The following are the members of the Nominating Committee:

George Lian  
Tim Sun (Chair)

The Audit Committee is appointed by the Board to assist in monitoring: (1) the integrity of the financial statements of the Corporation; (2) the compliance by the Corporation with the legal and regulatory requirements; and (3) the independent performance of the Corporation's external auditors, which report directly to the Audit Committee. A copy of the Corporation's audit committee charter is available for review at the Corporation's website at [www.mincosilver.ca](http://www.mincosilver.ca).

The following are the members of the Audit Committee:

Maria Tang (Chair)  
George Lian  
Tim Sun

The following table sets forth the number of Board and committee meetings held and attendance by directors for the most recently completed financial year.

Director	Scheduled Board Meetings	Unscheduled Board Meetings	Independent Board Meetings	Compensation Committee Meetings	Nominating Committee Meetings	Audit Committee Meetings
Ken Z. Cai	2/2	N/A	N/A	N/A	N/A	N/A
Maria Tang	2/2	N/A	0/0	1/1	0/0	4/4
George Lian	2/2	N/A	0/0	1/1	0/0	4/4
Tim Sun	2/2	N/A	0/0	1/1	0/0	4/4

The table below summarizes the number of Board and committee meetings held during the 2022 fiscal year.

Meeting Type	Totals
Board of Directors	2
Independent Board of Directors Meetings	0
Compensation Committee	1
Nominating Committee	0
Audit Committee	4
<b>Total number of meetings held</b>	<b>7</b>

The Board has not developed written descriptions for the CEO or the chairs of each committee of the Board. The CEO's responsibilities are described in his consulting agreement. The chairs of each committee of the Board follow the charter for the respective committee, if any.

### **Orientation and Continuing Education**

The Corporation does not have a formal process of orientation and education for new members of the Board. The current directors are experienced in boardroom procedure and corporate governance and generally have a good understanding of the business. As necessary, new members of the Board are provided with information about the Corporation, the role of the Board, the Board's committees, the Board's directors and the Corporation's industry. In addition, the Corporation provides continuing education for its directors as such need arises.

### **Ethical Business Conduct**

The Corporation adopted a Code of Ethics (the "**Code**"), which is available on the Corporation's website at [www.mincosilver.ca](http://www.mincosilver.ca). The Code sets out the principles that should guide the behaviour of the Corporation's directors, officers and employees. The Board is responsible for monitoring compliance with the Code.

The Corporation has also adopted a Whistleblower Policy which is incorporated within the Corporation's Communications Policy. A copy of the Communications Policy may be obtained by written request to the Corporation's offices located at Suite 2060 1055 West Georgia Street, Vancouver, BC V6E 3R5, Attn: Corporate Secretary.

To ensure directors of the Corporation exercise independent judgment in considering transactions, agreements or decisions in respect of which a director or executive officer has declared a material personal interest (in accordance with relevant corporate law requirements), the Board follows a practice whereby any such Board member must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter. Significant contracts that may be deemed to be a conflict are also reviewed and approved by the Corporation's Audit Committee.

The Board relies upon the selection of directors, officers, employees and consultants whom it considers as meeting the highest ethical standards to promote a culture of ethical business conduct. In addition, the Board must comply with conflict-of-interest provisions in Canadian corporate law and relevant securities regulatory instruments in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Nominating Committee is comprised entirely of independent directors and analyzes the needs of the Board when vacancies arise and identifies and proposes new nominees who have the necessary competencies and characteristics to meet such needs. New candidates are introduced to the Board by members of the Nominating Committee.

In order to foster an objective nomination process, the independent members of the Board are encouraged to recommend nominees for the Board.

## **Compensation**

The Compensation Committee is appointed by the Board to, among other things, discharge the Board's responsibilities relating to the compensation of the Corporation's directors and officers. The Compensation Committee periodically reviews the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and allows the Corporation to attract qualified candidates. Such review includes an examination of publicly available data as well as independent compensation surveys.

The Compensation Committee annually reviews and approves corporate goals and performance milestones relevant to the compensation of the CEO, CFO and other executive officers (collectively, the "**Senior Officers**"). It evaluates the Senior Officer's performance in light of those goals and objectives and sets the CEO's compensation level based on this evaluation. The Compensation Committee meets without the presence of other executive officers when approving the CEO's compensation.

The Compensation Committee is comprised of independent directors. In order to ensure an objective process for determining compensation, the Compensation Committee reviews independent materials such as pay survey data and industry reports. The Compensation Committee benchmarks against other companies using peer group studies compiled for the Compensation Committee. In addition, the Compensation Committee may consult with outside independent compensation advisory firms if it deems advisable.

## **Assessments**

The Board is responsible for keeping management informed of its evaluation of the performance of the Corporation and its senior officers in achieving and carrying out the Board's established goals and policies and is also responsible for advising management of any remedial action or changes which it may consider necessary. Additionally, directors are expected to devote time and attention to the Corporation's business and affairs as necessary to discharge their duties as directors effectively.

The Board does not have a formal process to monitor the effectiveness of the Board, its committees and individual members, but rather relies on an informal review process. In order to gauge performance, the Board considers the following:

- (a) input from directors, where appropriate;
- (b) attendance of directors at meetings of the Board and any committee;
- (c) the charter of each committee; and
- (d) the competencies and skills each individual director is expected to bring to the Board and each committee.

### **Term Limits and Representation of Women on the Board**

At this time, there is one director on the Board who is a woman (25%) and one (25%) woman in an executive officer position (as such term is defined in NI58-101. The Corporation has not adopted term limits for the directors of the Corporation, a written policy relating to the identification and nomination of women directors, or a target regarding women on the Board and women in executive officer positions. In addition, neither the Board nor the Nominating Committee has considered the level of representation of women on the Board in identifying and nominating candidates for election and re-election. The Board believes that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially viable board members. The Board relies on an annual director assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

While the Board has not adopted a written policy nor targets relating to the identification and nomination of women directors, the Board does take into consideration a nominee's potential to contribute to diversity within the Board. The Corporation ensures the most talented and strongest leaders are recruited, developed and retained to achieve its business objectives and recognizes the value of diversity, including knowledge, experience, skills, expertise, gender and background in making its decisions.

### **APPOINTMENT OF AUDITORS**

Management proposes the appointment of MSLL CPA LLP, Chartered Professional Accountants, as Auditors of the Company for the ensuing year and that the directors be authorized to fix their remuneration. MSLL CPA LLP has been the Company's Auditors since August 19, 2022.

In the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of a resolution to appoint MSLL CPA LLP, Chartered Professional Accountants, as Auditors of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors, unless the Shareholder has specified in the Shareholder's proxy that the Shareholder's Common Shares are to be withheld from voting on the appointment of auditors.

### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

#### **Ratification and Approval of Long-Term Incentive Plan**

On March 27, 2012, the Board of the Corporation approved a new Long-Term Incentive Plan (the "LTIP"). The purpose of the LTIP is to promote the long-term success of the Corporation and the creation of shareholder value by (i) encouraging the attraction and retention of directors, key employees and service providers of the Corporation and its subsidiaries; (ii) encourage such directors, key employees and service providers to focus on critical long-term objectives, and; (iii) promoting greater alignment of the interests of directors, key employees and service providers with the interests of the Corporation.

Pursuant to the policies of the TSX, all unallocated options, rights, units or other entitlements under a security based compensation arrangement, which does not have a fixed maximum number of securities issuable must be approved by the listed issuer's security holders every three years after the institution of the arrangement. In accordance with such requirement, the Corporation sought and obtained the approval of shareholders at a shareholders meeting held on June 30, 2021.

As the three-year term prescribed by the TSX expires on June 30, 2024, shareholders will be asked at the Meeting to approve an ordinary resolution to approve all unallocated entitlements. This approval will be effective for three years from the meeting date. If approval is not obtained at the Meeting, entitlements which have not been allocated as of June 28, 2024, and shares underlying entitlements which are outstanding as of June 28, 2024, and are subsequently cancelled or terminated will not be available for a new grant of units under the LTIP. Previously allocated entitlements will be unaffected by the approval or disapproval of the resolution. A description of the LTIP follows:

*Description of the LTIP*

The LTIP is available to directors and certain officers, employees and service providers of the Corporation, as determined by the Board (the "**Eligible Employees**"). The aggregate number of common shares of the Corporation issuable under the LTIP, together with shares reserved for issuance under all of the Corporation's other security-based compensation arrangements, shall not exceed fifteen percent of the Corporation's issued and outstanding common shares. The total number of common shares issuable to any participant under the LTIP, at any time, together with any other security-based compensation arrangements of the Corporation, shall not exceed ten percent of the issued and outstanding common shares of the Corporation. The total number of common shares issued to insiders within any one-year period and issuable at any given time under the LTIP, together with any other security-based compensation arrangement of the Corporation, shall not exceed ten percent of the issued and outstanding common shares of the Corporation. The total number of common shares issuable to non-executive directors under the LTIP shall not exceed one percent of the issued and outstanding common shares of the Corporation. Except as otherwise determined by the Board, neither awards nor any rights under any such awards shall be assignable or transferable.

The Board may at any time, in its sole discretion and without the approval of shareholders, amend, suspend, terminate or discontinue the LTIP and may amend the terms and conditions of any grants thereunder, subject to (a) any required approval of any applicable regulatory authority or the TSX, and (b) approval of shareholders of the Corporation, provided that shareholder approval shall not be required for the following amendments and the Board may make changes which may include but are not limited to: (i) amendments of a 'housekeeping nature'; (ii) any amendment for the purpose of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP; (iii) an amendment which is necessary to comply with applicable law or stock exchange requirements; (iv) amendments respecting administration and eligibility for participation under the LTIP; (v) changes to terms and conditions on which awards may be or have been granted pursuant to the LTIP; (vi) amendments which alter, extend or accelerate the terms of vesting applicable to any award; and (vii) changes to the termination provisions of an award or the LTIP which do not entail an extension beyond the original fixed term. If the LTIP is terminated, prior awards shall remain outstanding and in effect in accordance with their applicable terms and conditions. The Board may waive any conditions or rights under, or amend any terms of, any awards, provided that no such amendment or alteration shall be made which would impair the rights of any participant, without such participant's consent, unless the Board determines that such amendment or alteration either: (i) is required or advisable in order to conform to any law, regulation or accounting standard; or (ii) is not reasonably likely to diminish the benefits provided under such award.

### *Restricted Share Units*

The LTIP provides that the Board of the Corporation may, from time to time, in its sole discretion, grant awards of restricted share units ("**RSUs**") to Directors and Key Employees (as those terms are defined in the LTIP). Each RSU shall represent one common share of the Corporation. RSUs shall be subject to such restrictions as the Board may establish in the applicable award agreement. All RSUs will vest and become payable by the issuance of common shares of the Corporation on the date specified in the applicable award agreement, which shall be at least the third anniversary of their grant date at the end of the restriction period if all applicable restrictions have lapsed, unless otherwise provided in the award agreement.

Restrictions on any RSUs shall lapse immediately and become fully vested in the participant upon a change of control or death of a participant. If a participant's employment is terminated with or without cause, any RSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment terminates due to retirement or disability, or, in the case of directors, if a participant ceases to be a director for any reason, RSUs granted to such participant will continue to vest in accordance with the terms of such RSUs and shall become payable as of the vesting date. Not more than 2,000,000 common shares underlying RSUs may be issued under the LTIP.

### *Performance Share Units*

The LTIP provides that the Board of the Corporation may, from time to time, in its sole discretion, grant awards of performance share units ("**PSUs**") to certain officers and employees. Each PSU shall, contingent upon the attainment of the performance criteria within the minimum three-year performance cycle, represent one common share of the Corporation. The performance criteria will be established by the Board in its sole discretion. The Board may, in its sole discretion, revise the performance criteria during a performance cycle or after it has ended, if unforeseen events occur, including, without limitation, changes in capitalization, equity restructuring, acquisitions or divestitures, if such events have a substantial effect on the financial results of the Corporation and make the application of the performance criteria unfair absent a revision.

All PSUs will vest and become payable to the extent that the performance criteria are satisfied in the sole determination of the Board. PSUs granted to a participant shall become fully vested and payable immediately upon a change of control or death of a participant. If a participant's employment is terminated with or without cause, any PSUs granted to the participant will immediately terminate without payment and be cancelled as of the termination date. If a participant's employment terminates due to retirement or disability, the Board shall determine, in its sole discretion, the number of such participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied. Payment in respect of vested PSUs shall be made after the determination date of the applicable award and in any case within ninety-five (95) days after the last date of the performance cycle to which such award relates. Not more than 2,000,000 common shares underlying PSUs may be issued under the LTIP.

### *Deferred Share Units*

The LTIP provides that the Board of the Corporation may, from time to time, in its sole discretion, grant awards of deferred share units ("**DSUs**") to directors in lieu of director fees. Directors become participants effective as of the date he or she is first appointed or elected as a director and cease to be participants at the time they cease to be a director for any reason. The number of DSUs to be granted to a participant shall be calculated by dividing the amount of fees selected by the director by the market price on the grant date which shall be the tenth business day following any applicable black out period following each financial quarter end. The market price is defined in the LTIP as the volume weighted average trading price of a common share of the Corporation for the five trading days prior to the relevant date.

Each participant shall be entitled to receive, subsequent to the effective date the participant ceases to be a director for any reason, either (a) that number of common shares of the Corporation equal to the number of DSUs granted to such participant, or (b) a cash payment in an amount equal to the market price of the DSUs granted to such participant on the trading day following the day the participant ceases to be a director, net of applicable tax withholdings. Upon death of a participant, such participant's estate shall be entitled to receive, within 120 days after the participant's death, at the sole discretion of the Board, a cash payment or common shares of the Corporation that would otherwise have been payable upon such participant ceasing to be a director. Not more than 2,000,000 common shares underlying DSUs may be issued under the LTIP.

### *Options*

The LTIP provides that the Board may, from time to time, in its discretion, grant awards of options to directors, key employees and service providers. The number of options to be granted, the exercise price and the time(s) at which an option may be exercised shall be determined by the Board in its sole discretion, provided that the exercise price of options shall not be lower than the Market Price, and further provided that the term of any option shall not exceed ten years. Market Price with respect to Options granted under the LTIP means the closing price of such shares on the TSX on the last business day preceding the Grant Date. In the event that the shares did not trade on such day, the Market Price shall be the average of the bid and ask prices in respect of the shares at the closing of trading on such date.

In the event of a change of control, each outstanding option issued to directors and key employees shall automatically become fully and immediately vested and exercisable, subject to the policies of the Exchange and the applicable award agreement. Where, in the case of directors and key employees, a participant shall die while an optionee, any option held by such participant shall be exercisable by the person(s) to whom the rights of the participant under the option shall pass by will or the laws of descent and distribution for a period of 120 days or prior to the expiration of the option period in respect of the option, whichever is sooner, and then only to the extent that such participant was entitled to exercise the option at the date of death of such participant. Where the employment of a key employee is terminated for cause, no option held shall be exercisable from the termination date. In the event that the employment of a key employee is terminated without cause, by voluntary termination or due to retirement or, in the case of directors, the participant ceases to be a director for any reason, subject to the applicable award agreement, any option held shall remain exercisable in full for a period of 30 days after the termination or cessation date or prior to the expiration of the option period in respect of the option, whichever is sooner, and then only to the extent that such participant was entitled to exercise the option at such time. If key employee becomes afflicted by a disability, all options granted to the key employee will continue to vest in accordance with the terms of such options, provided that if a participant's employment is terminated due to disability or the participant ceases to be a director as a result of disability, subject to the applicable award agreement, any option held by such key employee shall remain exercisable for a period of 120 days



after the termination or cessation date or prior to the expiration of the option period in respect of the option, whichever is sooner, and then only to the extent that such participant was entitled to exercise the option at such time. Where a service provider's service to the Corporation terminates for any reason, subject to the applicable award agreement and any other contractual commitments between the participant and the Corporation, no option held by such participant shall be exercisable from the date of termination of service.

In the event the expiry date of an Option shall fall on a date during a trading blackout period that has been self-imposed by the Corporation, the expiry date of the Option shall be extended to the 5th business day following the date that the Corporation lifts the self-imposed trading blackout period.

As of the date of this Information Circular, the Corporation has 6,900,000 Options outstanding, representing 11.31% of the issued and outstanding common shares of the Corporation. There were no DSUs under the LTIP, no RSUs and no PSUs outstanding as of the date of this Information Circular. Accordingly, as of the date hereof, the total number of common shares issuable upon the exercise of outstanding Options or units issued under the LTIP represents 11.31% of the issued and outstanding common shares of the Corporation.

As of the date of this Information Circular, the Corporation has 2,253,762 awards available for grant, representing 3.69% of the issued and outstanding common shares of the Corporation.

#### *Approval Required*

The text of the ordinary resolution approving the LTIP is set forth in Appendix "A" to this Proxy Circular. To be effective, the resolution must be passed by the majority of votes cast by shareholders present or represented by proxy at the Meeting.

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

Except as otherwise disclosed herein, no director, executive officer or proposed nominee for election as a director of the Corporation, or any of their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of common shares of the Corporation or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors of the Corporation.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no insider of the Corporation, nor the proposed nominees for election as directors of the Corporation, nor any associate or affiliate of such insider or proposed nominees, has had any material interest, direct or indirect, in any transaction since the beginning of the last financial year of the Corporation, or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

### **REGISTRAR AND TRANSFER AGENT**

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia V6C 3B9.

**OTHER BUSINESS**

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. However, if any other matter(s) which are not known to the management of the Corporation shall properly come before the Meeting, the Proxy given pursuant to the solicitation by the management of the Corporation will be voted on such matter(s) in accordance with the best judgment of the person(s) voting the Proxy.

**ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis ("**MD&A**") by sending a written request to Suite 2060-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 3R5, Attention: Corporate Secretary. Financial information is provided in the Corporation's comparative financial statements and MD&A for its fiscal year ended December 31, 2023, which are also available on SEDAR.

**APPROVAL OF INFORMATION CIRCULAR**

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the directors of the Corporation.

DATED at Vancouver, British Columbia, Canada, this 24<sup>th</sup> day of May 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
MINCO SILVER CORPORATION**

*/s/ Ken Z. Cai*

\_\_\_\_\_  
Ken Z. Cai

Chairman, Chief Executive Officer and Director

## APPENDIX "A"

**Resolution #1**

**"BE IT RESOLVED** as an ordinary resolution that:

1. the LTIP, in the form attached as Appendix "B" to the Proxy Circular, be, and is hereby affirmed and approved;
2. all unallocated entitlements under the LTIP be and are hereby approved, and the Corporation has the ability to continue granting awards under the LTIP until June 30, 2027;and
3. any one director or officer of the Corporation be, and is hereby, authorized and directed to do all such acts and things and to execute and deliver under the corporate seal of the Corporation or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions."

## APPENDIX "B"

## MINCO SILVER CORPORATION

## LONG-TERM INCENTIVE PLAN

## SECTION 1. PURPOSE OF THE PLAN

The purpose of this Plan is to promote the long-term success of the Company and the creation of shareholder value by (a) encouraging the attraction and retention of Directors, Key Employees and Service Providers of the Company and its Subsidiaries, (b) encouraging such Directors, Key Employees and Service Providers to focus on critical long-term objectives, and (c) promoting greater alignment of the interests of such Directors, Key Employees and Service Providers with the interests of the Company.

To this end, this Plan provides for the grant of Restricted Share Units, Performance Share Units, Deferred Share Units and Options to Key Employees, Directors and Service Providers of the Company as further described in this Plan.

## SECTION 2. DEFINITIONS

As used in the Plan, the following terms shall have the meanings set forth below:

- (a) "**Associate**" has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (b) "**Award**" means any award of Restricted Share Units, Performance Share Units, Deferred Share Units or Options granted under the Plan;
- (c) "**Award Agreement**" means any written agreement, contract, or other instrument or document, including electronic communication, as may from time to time be designated by the Company as evidencing any Award granted under the Plan;
- (d) "**Board**" means the board of directors of the Company;
- (e) "**Change of Control**" means the acquisition by any person or by any person and a joint actor, whether directly or indirectly, of voting securities (as such terms are interpreted in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a person "acting jointly or in concert with" another person, as that phrase is interpreted in Multilateral Instrument 64-101, totals for the first time not less than twenty percent (20%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (f) "**Committee**" means the Compensation Committee of the Board;
- (g) "**Company**" means Minco Silver Corporation, a company existing pursuant to the provisions of the *Business Corporations Act* (British Columbia);
- (h) "**Deferred Share Unit**" means a right to receive on a deferred basis a payment in either Shares or cash as provided in Section 5(c) hereof and subject to the terms and conditions of this Plan;

- (i) "**Determination Date**" means a date determined by the Board in its sole discretion but not later than 90 days after the expiry of a Performance Cycle;
- (j) "**Director**" means a member of the Board;
- (k) "**Disability**" means any medical condition which qualifies a Participant for benefits under a long-term disability plan of the Company or a Subsidiary;
- (l) "**Effective Date**" has the meaning ascribed thereto in Section 8;
- (m) "**Election Form**" means the form to be completed by a Director specifying the amount of Fees he or she wishes to receive in Deferred Share Units under the Plan;
- (n) "**Eligible Person**" means Key Employees, Directors and Service Providers;
- (o) "**Fees**" means the annual board retainer, chair fees, meeting attendance fees or any other fees payable to a Director by the Company;
- (p) "**Grant Date**" means, for any Award, the date specified by the Board as the grant date at the time it grants the Award or, if no such date is specified, the date upon which the Award was actually granted;
- (q) "**Insider**" has the meaning ascribed thereto in the TSX Company Manual;
- (r) "**Insider Participant**" means a Participant who is (i) an Insider of the Company or of a Subsidiary, and (ii) an Associate of any person who is an Insider by virtue of (i);
- (s) "**Key Employees**" means employees, including officers, whether Directors or not, and including both full-time and part-time employees, of the Company or any Subsidiary who, by the nature of their positions or jobs are, in the opinion of the Board, in a position to contribute to the success of the Company;
- (t) "**Market Price**" means, at any date in respect of Shares, the closing price of such Shares on the TSX on the last business day preceding the Grant Date in the event that the Shares did not trade on such day, the Market Price shall be the average of the bid and ask prices in respect of the Shares at the closing of trading on such date.
- (u) "**Market Unit Price**" means the value of a Share determined by reference to the volume weighted average trading price of a Share for the immediately preceding five (5) Trading Days;
- (v) "**Option**" means incentive share purchase options entitling the holder thereof to purchase Shares;
- (w) "**Option Plan**" means the incentive stock option plan adopted by the shareholders of the Company on August 24, 2018;
- (x) "**Option Plan Awards**" means those Options granted by the Company under the Option Plan as at the Effective Date;

- (y) "**Participant**" means any Eligible Person to whom Awards under the Plan are granted;
- (z) "**Participant's Account**" means a notional account maintained for each Participant's participation in the Plan which will show any Restricted Share Units, Performance Share Units, Deferred Share Units or Options credited to a Participant from time to time;
- (aa) "**Performance Criteria**" means criteria established by the Board which, without limitation, may include criteria based on the Participant's personal performance and/or financial performance of the Company and its Subsidiaries, and that are to be used to determine the vesting of the Performance Share Units;
- (bb) "**Performance Cycle**" means a minimum of a three-year performance cycle of the Performance Share Units as specified by the Board in the applicable Award Agreement;
- (cc) "**Performance Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5(b) hereof and subject to the terms and conditions of this Plan;
- (dd) "**Permitted Assign**" has the meaning ascribed therein in National Instrument 45-106;
- (ee) "**Person**" means any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, or governmental authority or body;
- (ff) "**Restriction Period**" means a minimum of a three-year period between the Grant Date and the Vesting Date of an Award of Restricted Share Units;
- (gg) "**Restricted Share Unit**" means a right awarded to a Participant to receive a payment in Shares as provided in Section 5(a) hereof and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (hh) "**Retirement**" means retirement from active employment with the Company or a Subsidiary with the consent of an officer of the Company or the Subsidiary;
- (ii) "**Securities Act**" means the *Securities Act* (British Columbia), as amended, from time to time;
- (jj) "**Service Provider**" has the meaning ascribed thereto in the TSX Company Manual;
- (kk) "**Shares**" means the common shares of the Company;
- (ll) "**Security-Based Compensation Arrangement**" has the meaning ascribed thereto in the TSX Company Manual;
- (mm) "**Subsidiary**" means a corporation, company or partnership that is controlled, directly or indirectly, by the Company;

- (nn) "**Termination Date**" means (i) in the event of a Participant's Retirement, voluntary termination or termination of employment as a result of a Disability, the date on which such Participant ceases to be an employee of the Company or a Subsidiary and (ii) in the event of termination of the Participant's employment by the Company or a Subsidiary, the date on which such Participant is advised by the Company or a Subsidiary, in writing or verbally, that his or her services are no longer required;
- (oo) "**Trading Day**" means any date on which the TSX is open for trading;
- (pp) "**TSX**" means the Toronto Stock Exchange; and
- (qq) "**Vesting Date**" means in respect of any Award, the date when the Award is fully vested in accordance with the provisions of the Plan and the applicable Award Agreement.

### **SECTION 3. ADMINISTRATION**

- (a) **BOARD TO ADMINISTER PLAN.** Except as otherwise provided herein, the Plan shall be administered by the Board and the Board shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Board may deem necessary in order to comply with the requirements of the Plan.
- (b) **DELEGATION TO COMMITTEE.** All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the Committee or such other committee as the Board may determine.
- (c) **INTERPRETATION.** All actions taken and all interpretations and determinations made or approved by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Company.
- (d) **NO LIABILITY.** No Director shall be personally liable for any action taken or determination or interpretation made or approved in good faith in connection with the Plan and the Directors shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Company.

**SECTION 4. SHARES AVAILABLE FOR AWARDS**

- (a) **LIMITATIONS ON SHARES AVAILABLE FOR ISSUANCE.**
- (i) The aggregate number of Shares issuable under the Plan in respect of Awards, together with Shares reserved for issuance under all of the Company's other Security-Based Compensation Arrangements, shall not exceed fifteen (15) percent of the Company's issued and outstanding Shares from time to time. For greater certainty, the Option Plan Awards issued under the Option Plan shall be included in the calculation of the aggregate number of Shares issued under this Plan in respect of Awards;
  - (ii) The total number of Shares issuable to any Participant under the Plan, at any time, together with Shares reserved for issuance to such Participant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten (10) percent of the then issued and outstanding Shares;
  - (iii) The total number of Shares issued to all Insiders within any one-year period and issuable to all Insiders at any time under the Plan, or when combined with all of the Company's other Security-Based Compensation Arrangements, shall not exceed ten (10) percent of the then issued and outstanding Shares; and
  - (iv) The total number of Shares issuable to all non-executive Directors under the Plan shall not exceed one (1) percent of the issued and outstanding Shares.
  - (v) Subject to the limitations set out in Section 4(a)(i) above, the total number of shares issuable pursuant to grants of Restricted Share Units, Deferred Share Units or Performance Share Units granted under this plan shall not exceed 2,000,000 shares for each type of award.
- (b) **ACCOUNTING FOR AWARDS.** For purposes of this Section 4:
- (i) If an Award is denominated in Shares, the number of Shares covered by such Award, or to which such Award relates, shall be counted on the Grant Date of such Award against the aggregate number of Shares available for granting Awards under the Plan; and
  - (ii) Notwithstanding anything herein to the contrary, any Shares related to Awards which are exercised, which terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of such Shares, are settled in cash in lieu of Shares, or are exchanged with the Board's permission, prior to the issuance of Shares, for Awards not involving Shares, shall be available again for granting Awards under the Plan.



- (c) **ANTI-DILUTION.** If the number of outstanding Shares is increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number or price (or other basis upon which an Award is measured) of Restricted Share Units, Performance Share Units, Deferred Share Units and/or Options credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole discretion and all such adjustments shall be conclusive and binding for all purposes under the Plan.
- (d) **OPTION PLAN.** From and after the Effective Date, this Plan will replace the Option Plan and any agreements deriving therefrom. The Option Plan Awards will be deemed, from and after the Effective Date, to be Options issued and outstanding under (and governed by) this Plan, and the Option Plan will be of no further force or effect.

## **SECTION 5. AWARDS**

### (a) RESTRICTED SHARE UNITS

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Restricted Share Units to Directors and Key Employees. Restricted Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Restricted Share Units to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the Plan. Each Restricted Share Unit shall, contingent upon the lapse of any restrictions, represent one (1) Share. The number of Restricted Share Units granted pursuant to an Award and the Restriction Period in respect of such Restricted Share Units shall be specified in the applicable Award Agreement.
- (ii) **RESTRICTIONS.** Restricted Share Units shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable Award Agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time an Award is granted.
- (iii) **VESTING.** All Restricted Share Units will vest and become payable by the issuance of Shares on the anniversary of their Grant Date as specified in the applicable award agreement, being at least three years from the Grant Date, at the end of the Restriction Period if all applicable restrictions have lapsed, unless the Award Agreement provides otherwise.
- (iv) **CHANGE OF CONTROL.** In the event of a Change of Control, all restrictions upon any Restricted Share Units shall lapse immediately and all such Restricted Share Units shall become fully vested in the Participant and the Participant shall be entitled to receive payment in accordance with Section 5(a)(viii) hereof.

- (v) DEATH. Upon the death of a Participant, any Restricted Share Units granted to such Participant which, prior to the Participant's death, have not vested, will immediately vest and the Participant's estate shall be entitled to receive payment in accordance with Section 5(a)(viii) hereof.
- (vi) TERMINATION OF EMPLOYMENT.
  - i. Where, in the case of a Key Employee, a Participant's employment is terminated by the Company or a Subsidiary for cause, all Restricted Share Units granted to the Participant under the Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
  - ii. Where, in the case of a Key Employee, a Participant's employment terminates by reason of termination by the Company or a Subsidiary without cause or by voluntary termination by the Participant, any Restricted Share Units granted to the Participant under the Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
  - iii. Where, in the case of a Key Employee, a Participant's employment terminates due to Retirement or in connection with a Disability, all Restricted Share Units granted to the Participant under the Plan will continue to vest in accordance with the terms of such Restricted Share Units and the applicable Restriction Period and shall become payable in accordance with Section 5(a) (viii) hereof on the applicable Vesting Date.
  - iv. Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Restricted Share Units under the Plan shall cease as of the Termination Date.
- (vii) CESSATION OF DIRECTORSHIP. Where, in the case of Directors, a Participant ceases to be a Director for any reason, any Restricted Share Units granted to the Participant under the Plan that have not yet vested, will continue to vest in accordance with the terms of such Restricted Share Units and the applicable Restriction Period and shall become payable in accordance with Section 5(a) (viii) hereof on the applicable Vesting Date.
- (viii) PAYMENT OF AWARD. As soon as practicable after each Vesting Date of an Award of Restricted Share Units, the Company shall issue from treasury to the Participant, or if Section 5(a)(v) applies, to the Participant's estate, a number of Shares equal to the number of Restricted Share Units credited to the Participant's Account that become payable on the Vesting Date. As of the Vesting Date, the Restricted Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under the Plan in relation to such Restricted Share Units.

(b) PERFORMANCE SHARE UNITS

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Performance Share Units to Key Employees. Performance Share Units granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Performance Share Units to be credited to each Participant shall be determined by the Board, in its sole discretion, in accordance with the Plan. Each Performance Share Unit shall, contingent upon the attainment of the Performance Criteria within the Performance Cycle, represent one (1) Share. The number of Performance Share Units granted pursuant to an Award, the Performance Criteria which must be satisfied in order for the Performance Share Units to vest and the Performance Cycle in respect of such Performance Share Units shall be specified in the applicable Award Agreement.
- (ii) **PERFORMANCE CRITERIA.** The Board will select, settle and determine the Performance Criteria (including without limitation the attainment thereof), for purposes of the vesting of the Performance Share Units, in its sole discretion. An Award Agreement may provide the Board with the right, during a Performance Cycle or after it has ended, to revise the Performance Criteria and the Award amounts, if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the Performance Criteria unfair unless a revision is made. Notices will be provided by the Company to applicable regulatory authorities or stock exchanges as may be required with respect of the foregoing.
- (iii) **VESTING.** All Performance Share Units will vest and become payable to the extent that the Performance Criteria set forth in the Award Agreement are satisfied for the Performance Cycle, the determination of which satisfaction shall be made by the Board on the Determination Date.
- (iv) **CHANGE OF CONTROL.** In the event of a Change of Control, all Performance Share Units granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and the Participant shall be entitled to receive payment in accordance with Section 5(b)(vii) hereof.
- (v) **DEATH.** Upon the death of a Participant, all Performance Share Units granted to Participant shall become fully vested in such Participant (without regard to the attainment of any Performance Criteria) and the Participant's estate shall be entitled to receive payment in accordance with Section 5(b)(vii) hereof.
- (vi) **TERMINATION OF EMPLOYMENT.**
  - i. Where a Participant's employment is terminated by the Company or a Subsidiary for cause, all Performance Share Units granted to the Participant under the Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.

- ii. Where a Participant's employment is terminated by the Company or a Subsidiary without cause or by voluntary termination, all Performance Share Units granted to the Participant under the Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the Termination Date.
  - iii. Where a Participant's employment terminates due to Retirement or in connection with a Disability, the Board shall determine, in its sole discretion, the number of the Participant's Performance Share Units that will vest based on the extent to which the applicable Performance Criteria set forth in the Award Agreement have been satisfied in that portion of the Performance Cycle that has lapsed. The Performance Share Units that the Board determines to have vested shall become payable in accordance with Section 5(b)(vii) hereof.
  - iv. Upon termination of a Participant's employment with the Company or a Subsidiary, the Participant's eligibility to receive further grants of Awards of Performance Share Units under the Plan shall cease as of the Termination Date.
- (vii) **PAYMENT OF AWARD.** Payment to Participants in respect of vested Performance Share Units shall be made after the Determination Date for the applicable Award and in any case within ninety-five (95) days after the last day of the Performance Cycle to which such Award relates. Such payments shall be made entirely in Shares. The Company shall issue from treasury to the Participant, or if Section 5(b)(v) applies, to the Participant's estate, a number of Shares equal to the number of Performance Share Units that have vested. As of the Vesting Date, the Performance Share Units in respect of which such Shares are issued shall be cancelled and no further payments shall be made to the Participant under the Plan in relation to such Performance Share Units.

(c) **DEFERRED SHARE UNITS**

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of the Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant Awards of Deferred Share Units to Directors in lieu of Fees. Directors become Participants effective as of the date he or she is first appointed or elected as a Director and cease to be Participants at the time they cease to be a Director for any reason. Deferred Share Units granted to a Participant in accordance with Section 5(c)(iii) hereof, shall be credited, as of the Grant Date, to the Participant's Account.
- (ii) **ELECTION.** Each Director may elect to receive any or all of his or her Fees in Deferred Share Units under this Plan. Elections by Participants regarding the amount of their Fees that they wish to receive in Deferred Share Units shall be made no later than 90 days after the Plan is adopted by the Board, and thereafter no later than December 31 with respect to Fees for the following year. Any Director who becomes a Participant during a calendar year and wishes to receive an amount of his or her Fees for the remainder of that year in Deferred Share Units must make his or her election within 60 days of becoming a Director.

- (iii) **CALCULATION.** The number of Deferred Share Units to be credited to the Participant's Account shall be calculated by dividing the amount of Fees selected by a Director in the applicable Election Form, by the Market Unit Price on the Grant Date which shall be the 10<sup>th</sup> business day following the end of any applicable black out period, following each financial quarter end. If, as a result of the foregoing calculation, a Participant shall become entitled to a fractional Deferred Share Unit, the Participant shall only be credited with a full number of Deferred Share Units (rounded down) and no payment or other adjustment will be made with respect to the fractional Deferred Share Unit.
- (iv) **PAYMENT OF AWARD.** Each Participant shall be entitled to receive, after the effective date the Participant ceases to be a Director for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least 15 days prior to the designated day (or such earlier date after the Participant ceases to be a Director as the Participant and the Company may agree, which date shall be no later than the end of the calendar year following the year in which the Participant ceases to be a Director) and if no such notice is given, then on the first anniversary of the effective date the Participant ceases to be a Director, at the sole discretion of the Board, either:
  - i. That number of Shares equal to the number of Deferred Share Units credited to the Participant's Account, such Shares to be issued from treasury of the Company; or
  - ii. A cash payment in an amount equal to the Market Unit Price on the next Trading Day of the Deferred Share Units credited to a Participant's Account, net of applicable withholdings after the Participant ceases to be a Director.
- (v) **EXCEPTION.** In the event the value of a Deferred Share Unit would be determined with reference to a period commencing at a fiscal quarter-end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the Units will be made to the Participant with reference to the five (5) Trading Days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).
- (vi) **DEATH.** Upon death of a Participant, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the Board, a cash payment or Shares that would have otherwise been payable in accordance with Section 5(c)(iv) hereof to the Participant upon such Participant ceasing to be Director.
- (vii) **DEDUCTIONS.** Whenever cash is to be paid on redemption of Deferred Share Units, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Shares are to be delivered on redemption of Deferred Share Units the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect

to such delivery of Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement by

- i. electing to have the Company withhold from delivery Shares having a value equal to the amount of tax required to be withheld, or
- ii. delivering (on a form prescribed by the Company) an irrevocable direction to a securities broker approved by the Company to sell all or a portion of the Shares and to deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

(d) OPTIONS

- (i) **ELIGIBILITY AND PARTICIPATION.** Subject to the provisions of this Plan and such other terms and conditions as the Board may determine, the Board may, from time to time, in its discretion, grant Awards of Options to Directors, Key Employees and Service Providers. Options granted to a Participant shall be credited, as of the Grant Date, to the Participant's Account. The number of Options to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with this Plan.
- (ii) **EXERCISE PRICE.** The exercise price of the Options shall be determined by the Board at the time the Option is granted. The exercise price of an Option shall be the Market Price provided that in no event shall such exercise price be lower than the exercise price permitted by the TSX.
- (iii) **TIME AND CONDITIONS OF EXERCISE.** The Board shall determine the time or times at which an Option may be exercised in whole or in part, provided that the term of any Option granted under this Plan shall not exceed ten years. The Board shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.
- (iv) **EVIDENCE OF GRANT.** All Options shall be evidenced by a written Award Agreement. The Award Agreement shall reflect the Board's determinations regarding the exercise price, time and conditions of exercise (including vesting provisions) and such additional provisions as may be specified by the Board.
- (v) **EXERCISE.** The exercise of any Option will be contingent upon receipt by the Company of a written notice of exercise in the manner and in the form set forth in the applicable Award Agreement, which written notice shall specify the number of Shares with respect to which the Option is being exercised, and which shall be accompanied by a cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the Option is exercised. Certificates for such Shares shall be issued and delivered to the optionee within a reasonable time following the receipt of such notice and payment. Neither the optionee nor his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares unless and until the certificates for the

Shares issuable pursuant to Options under this Plan are issued to such optionee under the terms of this Plan.

- (vi) **CHANGE OF CONTROL.** In the event of a Change of Control, each outstanding Option issued to Directors and Key Employees, to the extent that it shall not otherwise have become vested and exercisable, and subject to the applicable Award Agreement, shall automatically become fully and immediately vested and exercisable, without regard to any otherwise applicable vesting requirement.
- (vii) **EXTENSION OF TERM DURING TRADING BLACK OUT.** In the event the expiry date of an Option shall fall on a date during a trading black out period that has been self imposed by the Company, the expiry date of the Option shall be extended to the 5<sup>th</sup> business day following the date that the self imposed trading black out period is lifted by the Company.
- (viii) **DEATH.** Where, in the case of Directors and Key Employees, a Participant shall die while an optionee, any Option held by such Participant at the date of death shall be exercisable in whole or in part only by the person or persons to whom the rights of the Participant under the Option shall pass by the will of the Participant or the laws of descent and distribution for a period of 120 days after the date of death of the Participant or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date of death of such Participant.
- (ix) **TERMINATION OF EMPLOYMENT.**
  - i. Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary for cause, no Option held by such Participant shall be exercisable from the Termination Date.
  - ii. Where, in the case of Key Employees, a Participant's employment is terminated by the Company or a Subsidiary without cause, by voluntary termination by the Participant or due to Retirement, subject to the applicable Award Agreement, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 30 days after the Termination Date or prior to the expiration of the option period in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.
  - iii. Where, in the case of Key Employees, a Participant becomes afflicted by a Disability, all Options granted to the Participant under this Plan will continue to vest in accordance with the terms of such Options. Where, in the case of Key Employees, a Participant's employment is terminated due to Disability, subject to the applicable Award Agreement, any Option held by such Participant shall remain exercisable for a period of 120 days after the Termination Date or prior to the expiration of the option period

in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the Termination Date.

- (x) **CESSATION OF DIRECTORSHIP.** Where, in the case of Directors, a Participant ceases to be a Director for any reason, subject to the applicable Award Agreement and the provisions below, any Option held by such Participant at such time shall remain exercisable in full at any time, and in part from time to time, for a period of 30 days after the date the Participant ceases to be a Director or prior to the expiration of the Option in respect of the Option, whichever is sooner, and then only to the extent that such Participant was entitled to exercise the Option at the date the Participant ceased to be a Director.
  - (xi) **TERMINATION OF SERVICE.** Where, in the case of a Service Provider, a Participant's service to the Company terminates for any reason, subject to the applicable Award Agreement and any other contractual commitments between the Participant and the Company, no Option held by such Participant shall be exercisable from the date of termination of service.
- (e) **GENERAL TERMS APPLICABLE TO AWARDS**
- (i) **AWARDS MAY BE GRANTED SEPARATELY OR TOGETHER.** Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award or any award granted under any other Security-Based Compensation Arrangement of the Company or any Subsidiary. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other Security-Based Compensation Arrangement of the Company or any Subsidiary, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.
  - (ii) **NON-TRANSFERABILITY OF AWARDS.** Other than to a Permitted Assign, no Award and no right under any such Award, shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution. No Award and no right under any such Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.
  - (iii) **CONDITIONS AND RESTRICTIONS UPON SECURITIES SUBJECT TO AWARDS.** The Board may provide that the Shares issued under an Award shall be subject to such further agreements, restrictions, conditions or limitations as the Board in its discretion may specify, including without limitation, conditions on vesting or transferability and forfeiture or repurchase provisions or provisions on payment of taxes arising in connection with an Award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the Participant or other subsequent transfers by the Participant of any Shares issued under an Award, including without limitation: (A) restrictions under an insider trading policy or pursuant to applicable law, (B) restrictions designed to delay and/or coordinate the timing and manner of sales by Participants and holders of other Company Security-Based Compensation Arrangements, (C)



restrictions as to the use of a specified brokerage firm for such resales or other transfers and (D) provisions requiring Shares to be sold on the open market or to the Company in order to satisfy tax withholding or other obligations.

- (iv) **SHARE CERTIFICATES.** All Shares delivered under the Plan pursuant to any Award shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under the Plan or the rules, regulations, and other requirements of any securities commission, stock exchange upon which such Shares are then listed, and any applicable securities legislation, regulations, rules, policies or orders, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (v) **CONFORMITY TO PLAN.** In the event an Award is granted which does not conform in all particulars with the provisions of the Plan, or purports to grant an Award on terms different from those set out in the Plan, the Award shall not be in any way void or invalidated, but the Award shall be adjusted to become, in all respects, in conformity with the Plan.
- (vi) **AMALGAMATION OR MERGER.** If the Company amalgamates or merges with or into another company or otherwise enters into an arrangement or reorganization with any other entity, (i) any Options which are out-of-the-money may be cancelled by the Company; and (ii) any Shares underlying an Award shall be converted into securities, property or cash which the holder thereof would have received upon such transaction if the holder thereof had exercised his Option or had his units vested into Shares immediately prior to the record date applicable to such transaction, and, in respect of Options, the Option exercise price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of the Plan or shall otherwise be exchanged for the consideration received by the Company's security holders, on the basis of the intrinsic value of any such Award.

## **SECTION 6. AMENDMENT AND TERMINATION**

- (a) **AMENDMENTS AND TERMINATION OF THE PLAN.** The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of shareholders of the Company, amend, suspend, terminate or discontinue this Plan and may amend the terms and conditions of any Awards granted hereunder, subject to (a) any required approval of any applicable regulatory authority or the TSX, and (b) approval of shareholders of the Company as required by the rules of the TSX or applicable law provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
  - (i) Amendments of a "housekeeping nature";
  - (ii) Any amendment for the purpose of curing any ambiguity, error or omission in the Plan or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
  - (iii) An amendment which is necessary to comply with applicable law or the requirements of any stock exchange on which the Shares are listed;

- (iv) Amendments respecting administration and eligibility for participation under the Plan;
- (v) Changes to the terms and conditions on which Awards may be or have been granted pursuant to the Plan;
- (vi) Any amendment which alters, extends or accelerates the terms of vesting applicable to any Award; and
- (vii) Changes to the termination provisions of an Award or the Plan which do not entail an extension beyond the original fixed term.

If the Plan is terminated, prior Awards shall remain outstanding and in effect in accordance with their applicable terms and conditions.

- (b) **AMENDMENTS TO AWARDS.** Subject to the policies of the TSX, the Board may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue, or terminate, any Awards theretofore granted, prospectively or retroactively. No such amendment or alteration shall be made which would impair the rights of any Participant, without such Participant's consent, under any Award theretofore granted, provided that no such consent shall be required with respect to any amendment or alteration if the Board determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, the Plan or the Award to satisfy or conform to any law or regulation or to meet the requirements of any accounting standard, or (ii) is not reasonably likely to significantly diminish the benefits provided under such Award.

## **SECTION 7. GENERAL PROVISIONS**

- (a) **NO RIGHTS TO AWARDS.** No Key Employee, Director or other Person shall have any claim to be granted any Award under the Plan, or, having been selected to receive an Award under this Plan, to be selected to receive a future Award, and further there is no obligation for uniformity of treatment of Key Employees, Directors or holders or beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient.
- (b) **WITHHOLDING.** The Company shall be authorized to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan the amount (in cash, Shares, other securities, or other Awards) of withholding taxes due in respect of an Award, its exercise, or any payment or transfer under such Award or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy statutory withholding obligations for the payment of such taxes.
- (c) **NO LIMIT ON OTHER SECURITY-BASED COMPENSATION ARRANGEMENTS.** Nothing contained in the Plan shall prevent the Company or a Subsidiary from adopting or continuing in effect other Security-Based Compensation Arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

- (d) **NO RIGHT TO EMPLOYMENT.** The grant of an Award shall not constitute an employment contract nor be construed as giving a Participant the right to be retained in the employ of the Company. Further, the Company may at any time dismiss a Participant from employment, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement.
- (e) **NO RIGHT AS SHAREHOLDER.** Neither the Participant nor any representatives of a Participant's estate shall have any rights whatsoever as shareholder in respect of any Shares covered by or underlying such Participant's Restricted Share Units, Performance Share Units, Deferred Share Units and/or Options until the date of issuance of a share certificate to such Participant or representatives of a Participant's estate for such Shares.
- (f) **GOVERNING LAW.** The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan and all Awards shall be determined in accordance with the laws of the Province of British Columbia and applicable Federal laws of Canada without regard to conflict of law.
- (g) **SEVERABILITY.** If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, Person, or Award, and the remainder of the Plan and any such Award shall remain in full force and effect.
- (h) **NO TRUST OR FUND CREATED.** Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured creditor of the Company.
- (i) **NO FRACTIONAL SHARES.** No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and such fractional Shares or any rights thereto shall be cancelled, terminated, or otherwise eliminated.
- (j) **HEADINGS.** Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.
- (k) **NO REPRESENTATION OR WARRANTY.** The Company makes no representation or warranty as to the value of any Award granted pursuant to the Plan or as to the future value of any Shares issued pursuant to any Award.

- (l) **NO REPRESENTATIONS OR COVENANTS WITH RESPECT TO TAX QUALIFICATION.** Although the Company may endeavor to (i) qualify an Award for favourable Canadian tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favourable or avoid unfavourable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under the Plan.
  
- (m) **COMPLIANCE WITH LAWS.** The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or stock exchanges on which the Company is listed as may be required. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under the Plan prior to:
  - (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
  - (ii) completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective.

The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

#### **SECTION 8. EFFECTIVE DATE OF THE PLAN**

The Plan shall become effective upon the later of the date determined by the Board and the date of approval of the shareholders of the Company given by the affirmative vote of a majority of the Shares represented at the meeting of the shareholders of the Company at which a motion to approve the Plan is presented.

#### **SECTION 9. TERM OF THE PLAN**

The Plan shall terminate automatically 10 years after it becomes effective and may be terminated on any earlier date as provided in Section 6 hereof.