



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR  
DATED AS OF SEPTEMBER 19, 2024  
FOR THE  
ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
OF  
PREMIUM NICKEL RESOURCES LTD.**

**TO BE HELD ON OCTOBER 29, 2024**



**PREMIUM NICKEL RESOURCES LTD.**  
3400 One First Canadian Place, P.O. Box 130  
Toronto, ON M5X 1A4  
Phone: (604) 770-4334

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TAKE NOTICE** that the annual general and special meeting (the "**Meeting**") of shareholders ("**PNRL Shareholders**") of Premium Nickel Resources Ltd. ("**PNRL**" or the "**Company**") will be held at the offices of Bennett Jones LLP located at 100 King Street West, Suite 3400, Toronto, Ontario, M5X 1A4, Canada, on Tuesday, October 29, 2024, at 10:00 a.m. (Toronto time), for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, together with the auditor's report thereon;
2. to elect eight (8) directors of the Company for the ensuing year (the "**Director Election Resolution**"), being Mark Christensen, James Gowans, Jason LeBlanc, Norman MacDonald, Paul Martin, Keith Morrison, Don Newberry and William O'Reilly, to take office immediately after the Meeting, all as more particularly described in the accompanying management information circular dated September 19, 2024 (the "**Information Circular**");
3. to appoint the independent auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditor (the "**Auditor Appointment Resolution**");
4. to consider and, if thought fit, pass a special resolution (the "**Name Change Resolution**") approving the change of name of the Company from "Premium Nickel Resources Ltd." to "Premium Resources Ltd.", or any such other name as may be determined by the board of directors of the Company (the "**Board**") in its sole discretion, as more particularly described in the Information Circular;
5. to consider and, if thought fit, pass, with or without variation, an ordinary resolution (the "**RSU Plan Resolution**") approving the Company's restricted share unit plan (the "**RSU Plan**"), all as more particularly described in the accompanying Information Circular;
6. to consider and, if thought fit, pass, with or without variation, an ordinary resolution of disinterested shareholders approving and ratifying the previous grants of restricted share units (the "**Prior Grants Resolution**"), collectively with the Director Election Resolution, the Auditor Appointment Resolution, the Name Change Resolution and the RSU Plan Resolution, the "**Resolutions**"), all as more particularly described in the accompanying Information Circular; and
7. to transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice of Meeting. The full text of the Resolutions is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to the Information Circular.

**The Board unanimously recommends that PNRL Shareholders vote "FOR" the Resolutions.**

The record date for the determination of PNRL Shareholders entitled to receive notice of and to vote at the Meeting is the close of business on September 17, 2024 (the "**Record Date**"). Only PNRL Shareholders whose names have been entered in the register of PNRL Shareholders as of the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

Each PNRL Share entitled to be voted at the Meeting will entitle the holder thereof to one vote at the Meeting.

**A PNRL Shareholder may attend the Meeting in person or may be represented by proxy. PNRL Shareholders who are unable to be present at the Meeting are requested to complete, date, sign and return, in the envelope provided for that purpose, the accompanying form of proxy (the "Proxy") for use at the Meeting or any adjournment thereof. To be effective, the Proxy must be received by our transfer agent, Computershare Investor Services Inc. (Attention: Proxy Department, by mail: 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1), no later than 10:00 a.m. (Toronto time) on Friday, October 25, 2024, or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time to which the Meeting may be adjourned. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept Proxies received after such deadline. A PNRL Shareholder may use the Internet ([www.investorvote.com](http://www.investorvote.com)) or telephone (1-866-732-VOTE (8683)) to transmit voting instructions on or before the date and time noted above, and may also use the Internet to appoint a proxyholder to attend and vote on behalf of the PNRL Shareholder at the Meeting. For information regarding voting or appointing a proxy, see the Proxy and/or the section entitled "*Proxy Related Information*" in the accompanying Information Circular.**

If a PNRL Shareholder has received more than one Proxy because such holder owns PNRL Shares registered in different names or addresses, each Proxy should be completed and returned.

If you are a non-registered holder of PNRL Shares and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the Proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

The Proxy confers discretionary authority with respect to: (i) amendments or variations to the matters to be considered at the Meeting; and (ii) other matters that may properly come before the Meeting. As of the date hereof, management of PNRL knows of no amendments, variations or other matters to come before the Meeting other than the matters set forth in this Notice of Meeting. PNRL Shareholders who are planning on returning the accompanying Proxy are encouraged to review the Information Circular carefully before submitting the Proxy.

A copy of the Information Circular, the Proxy or voting instruction form (as applicable) and a financial statement request form accompany this Notice of Meeting.

Dated at the City of Toronto, in the Province of Ontario, this 19<sup>th</sup> day of September, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Keith Morrison"*

Keith Morrison  
Chief Executive Officer and Director  
Premium Nickel Resources Ltd.

**Whether or not you expect to attend the Meeting in person, please complete, date, sign and return the accompanying Proxy at your earliest convenience. The Information Circular provides further information respecting Proxies and the matters to be considered at the Meeting and is deemed to form part of this Notice of Meeting.**

## TABLE OF CONTENTS

<b>General Information</b> .....	<b>1</b>
<b>Proxy Related Information</b> .....	<b>1</b>
Solicitation of Proxies.....	1
Appointment and Revocation of Proxy.....	1
Notice-and-Access Rules .....	3
Voting of Shares and Exercise of Discretion of Proxies .....	3
Interest of Certain Persons in Matters to be Acted Upon.....	4
Voting Securities and Principal Holders .....	4
Corporate Governance .....	4
Audit Committee and Relationship with Auditors.....	4
RSU Plan.....	5
Other Matters .....	5
Additional Information .....	5
<b>Executive Compensation</b> .....	<b>5</b>
Statement of Executive Compensation .....	5
Director and Named Executive Officer Compensation, Excluding Compensation Securities .....	5
External Management Companies .....	7
Options and Other Compensation Securities .....	7
Exercise of Compensation Securities.....	9
Option Plans and Other Incentive Plans.....	9
Employment, Consulting and Management Agreements.....	14
Estimated Incremental Payments .....	16
Oversight and Description of Director and Named Executive Officer Compensation.....	16
Pension Disclosure.....	18
<b>Securities Authorized for Issuance Under Equity Compensation Plans</b> .....	<b>18</b>
<b>Indebtedness of Directors and Executive Officers</b> .....	<b>19</b>
<b>Interest of Informed Persons in Material Transactions</b> .....	<b>19</b>
<b>Particulars of Matters to be Acted Upon at the Meeting</b> .....	<b>19</b>
Financial Statements .....	19
Election of the Directors .....	19
Appointment and Remuneration of Auditor.....	24
Approval of the Name Change.....	25
Approval of the RSU Plan .....	25
Approval of Prior RSU Grants.....	25
<b>APPENDIX "A" GLOSSARY</b> .....	<b>A-1</b>
<b>APPENDIX "B" RESOLUTIONS TO BE APPROVED AT THE MEETING</b> .....	<b>B-1</b>
<b>APPENDIX "C" CORPORATE GOVERNANCE DISCLOSURE</b> .....	<b>C-1</b>
<b>APPENDIX "D" AUDIT COMMITTEE DISCLOSURE</b> .....	<b>D-1</b>
<b>APPENDIX "E" RSU PLAN</b> .....	<b>E-1</b>

## GENERAL INFORMATION

All capitalized terms used in this Information Circular (including the Appendices, unless otherwise stated) but not otherwise defined herein have the meanings set forth in Appendix "A" - "Glossary" to this Information Circular. Information contained in this Information Circular is given as of September 19, 2024, unless otherwise specifically stated.

## PROXY RELATED INFORMATION

### Solicitation of Proxies

This Information Circular is provided in connection with the solicitation of proxies by the management of PNRL for use at the annual general and special meeting of the PNRL Shareholders to be held on October 29, 2024, at the time and place and for the purposes set out in the accompanying Notice of Meeting and at any adjournment thereof. The solicitation will be made primarily by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

### Appointment and Revocation of Proxy

#### *Registered PNRL Shareholders*

**Registered PNRL Shareholders may vote their PNRL Shares by attending the Meeting in person or by completing the enclosed Proxy.** Registered PNRL Shareholders should deliver their completed Proxies to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1 (by mail, telephone or internet according to the instructions on the Proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting. Otherwise the shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the Proxy are directors and officers of the Company and are proxyholders nominated by management. **A PNRL Shareholder has the right to appoint a person or company other than the nominees of management named in the enclosed instrument of Proxy to represent such PNRL Shareholder at the Meeting. To exercise this right, a PNRL Shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a PNRL Shareholder.**

A registered PNRL Shareholder may revoke a Proxy by:

- (a) signing a Proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the Proxy is required to be executed, as set out in the notes to the Proxy) and delivering it to the registered office of the Company, located at 3400 One First Canadian Place, P.O. Box 130, 100 King Street West, Toronto, Ontario, Canada M5X 1A4, at any time up to and including the last Business Day preceding the day of the Meeting, or any adjournment thereof at which the Proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof;
- (c) attending the Meeting or any adjournment thereof and registering with the scrutineer as a shareholder present in person, whereupon such Proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by law.

## *Beneficial PNRL Shareholders*

**The information set forth in this section is of significant importance to many PNRL Shareholders, as many PNRL Shareholders do not hold their PNRL Shares in their own name.** PNRL Shareholders holding their PNRL Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans or other persons or otherwise not in their own name ("**Beneficial PNRL Shareholders**") should note that only Proxies deposited by PNRL Shareholders appearing on the records maintained by PNRL's transfer agent as Registered PNRL Shareholders will be recognized and allowed to vote at the Meeting. If a PNRL Shareholder's common shares are listed in an account statement provided to the PNRL Shareholder by a broker, in all likelihood those shares are not registered in the PNRL Shareholder's name and that shareholder is a Beneficial PNRL Shareholder. Such PNRL Shares are most likely registered in the name of the PNRL Shareholder's broker or an agent of that broker. In Canada the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. PNRL Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial PNRL Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial PNRL Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial PNRL Shareholders in advance of shareholder meetings. Beneficial PNRL Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to PNRL (such Beneficial PNRL Shareholders are designated as non-objecting beneficial owners, or "**NOBOs**") or objecting to their Intermediary disclosing ownership information about themselves to PNRL (such Beneficial PNRL Shareholders are designated as objecting beneficial owners, or "**OBOs**").

In the case of NOBOs, Proxy-related materials and VIF may have either (a) been sent by the Company (or its agent) directly to NOBOs, or (b) been sent by the Company (or its agent) to intermediaries holding on behalf of NOBO's for distribution to such shareholder, as is the case for this Meeting. If you are a NOBO and the Company (or its agent) has sent the Proxy materials directly to you, your personal information has been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

As it relates to OBOs, PNRL does not intend to pay for Intermediaries to forward Proxy-related materials and VIFs to OBOs under NI 54-101.

Meeting Materials sent to Beneficial PNRL Shareholders are accompanied by a VIF, instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial PNRL Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial PNRL Shareholder's PNRL Shares on the Beneficial PNRL Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial PNRL Shareholders to Broadridge Investor Communications Corporation ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial PNRL Shareholders and asks Beneficial PNRL Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial PNRL Shareholder who receives a VIF from Broadridge cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In any case, the purpose of this procedure is to permit Beneficial PNRL Shareholders to direct the voting of the shares, which they beneficially own. **A Beneficial PNRL Shareholder receiving a VIF cannot use that form to vote PNRL**

**Shares directly at the Meeting – Beneficial PNRL Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial PNRL Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial PNRL Shareholder may request a legal Proxy as set forth in the VIF, which will grant the Beneficial PNRL Shareholder or their nominee the right to attend and vote at the Meeting.

Only Registered PNRL Shareholders have the right to revoke a Proxy. A Beneficial PNRL Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to PNRL Shareholders in this Information Circular and the accompanying instrument of Proxy and Notice of Meeting are to Registered PNRL Shareholders, unless specifically stated otherwise.

### **Notice-and-Access Rules**

The Company has elected to use the notice-and-access provisions under NI 51-102 and NI 54-101 (together with NI 51-102, the "**Notice-and-Access Provisions**") for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials on-line, via the SEDAR+ and one other website, rather than mailing paper copies of such materials to PNRL Shareholders.

Instead of receiving the Meeting Materials, PNRL Shareholders will receive a Notice of Meeting with the Proxy or VIF, as the case may be, along with instructions on how to access the Meeting materials online.

The Company will send the Notice of Meeting and Proxy directly to Registered PNRL Shareholders. The Company will pay for intermediaries to deliver the Notice of Meeting, VIF and other Meeting Materials requested by NOBOs. The Meeting Materials are available on the Company's website ([www.premiumnickel.com/investors/events/](http://www.premiumnickel.com/investors/events/)) and on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under the Company's issuer profile.

The Company will not be using stratification as it relates to Notice-and-Access. If you would like to receive a paper copy of the current Meeting Materials by mail, you must request one by October 21, 2024 to ensure timely receipt, by contacting Jaelyn Ruptash by telephone at 1-833-770-4334 or by email at [info@premiumnickel.com](mailto:info@premiumnickel.com). There is no charge to you for requesting a copy.

To obtain paper copies of the materials after the Meeting date, please contact the Company as follows: by mail, Premium Nickel Resources Ltd., [info@premiumnickel.com](mailto:info@premiumnickel.com), or by telephone at 1-833-770-4334.

### **Voting of Shares and Exercise of Discretion of Proxies**

If a PNRL Shareholder specifies a choice with respect to any matter to be acted upon, the PNRL Shares represented by Proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed Proxy, in the absence of any instructions in the Proxy, it is intended that such PNRL Shares will be voted by the proxyholder, if a Nominee of management, in favour of the motions proposed to be made at the Meeting as stated under the headings in the Notice of Meeting accompanying this Information Circular. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a Nominee of management, will exercise its discretion and vote on such matters in accordance with the proxyholder's best judgment.

The instrument of Proxy enclosed, in the absence of any instructions in the Proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of Proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority, a PNRL Shareholder must strike out the names of the nominees of management in the enclosed instrument of Proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with the proxyholder's best judgment.

At the time of printing this Information Circular, management of PNRL is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting, other than as set forth in the accompanying Notice of Meeting.

### **Interest of Certain Persons in Matters to be Acted Upon**

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of PNRL at any time since the beginning of the Company's last financial year;
- (b) each proposed Nominee for election as a director of the Company; and
- (c) each Associate or Affiliate of any of the foregoing.

### **Voting Securities and Principal Holders**

As of the date of this Information Circular, the Company's authorized capital consisted of an unlimited number of PNRL Shares and 100,000,000 preferred shares, which preferred shares do not carry the right to vote at the Meeting, and of which 20,000,000 are series 1 convertible preferred shares. PNRL Shareholders of record at the close of business on September 17, 2024 (being the Record Date) who either personally attend the Meeting or who have completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote, or to have their PNRL Shares voted, at the Meeting or at any adjournment thereof.

As at the Record Date, 185,708,588 PNRL Shares were issued and outstanding, each share carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, as of the date of the Record Date, no person or company owns or controls, directly or indirectly, 10% or more of the issued and outstanding PNRL Shares, except as stated below.

<b>Name of Shareholder</b>	<b>Number of PNRL Shares<sup>(1)</sup></b>	<b>Percentage of Issued and Outstanding PNRL Shares<sup>(1)</sup></b>
EdgePoint Investment Group Inc.	23,833,224 <sup>(2)</sup>	12.8%

#### **Notes:**

- (1) The information as to PNRL Shares beneficially owned, controlled or directed, directly or indirectly, not being within the knowledge of the Company has been obtained by the Company from publicly disclosed information and/or furnished by the PNRL Shareholder listed above. The percentage ownership of PNRL Shares is calculated using the issued and outstanding PNRL Shares as of the Record Date.
- (2) In addition to these PNRL Shares, EdgePoint Investment Group Inc. also beneficially owns or controls, directly or indirectly, 13,716,307 warrants to purchase PNRL Shares. Assuming the conversion of these warrants, EdgePoint Investment Group Inc. beneficially owns or controls, directly or indirectly 18.8% of the PNRL Shares on a partially-diluted basis.

### **Corporate Governance**

See Appendix "C" – *"Corporate Governance Disclosure"* to this Information Circular.

### **Audit Committee and Relationship with Auditors**

See Appendix "D" – *"Audit Committee Disclosure"* to this Information Circular.

## **RSU Plan**

See Appendix "E" – "RSU Plan" to this Information Circular.

## **Other Matters**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the accompanying Notice of Meeting. However, if any other matters are properly brought before the Meeting, the nominees of management named in the Proxy intend to vote on any such matter, in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters ratified in the Notice of Meeting.

## **Additional Information**

Additional information about the Company is available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under PNRL's issuer profile, including PNRL's financial statements and management's discussion and analysis. The audited financial statements of the Company for the year ending December 31, 2023, together with the auditor's report thereon, will be presented at the Meeting. Copies of the financial statements and management discussion and analysis of the Company can be requested from the Company at 3400 One First Canadian Place, P.O. Box 130, 100 King Street West, Toronto, Ontario, Canada, M5X 1A4.

## **EXECUTIVE COMPENSATION**

### **Statement of Executive Compensation**

The purpose of this section is to describe the compensation of the Named Executive Officers and the directors of the Company in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* of the Canadian Securities Administrators.

For the financial year ended December 31, 2023, the Named Executive Officers of the Company were:

- Keith Morrison, Chief Executive Officer and director;
- Peter Rawlins, Senior Vice President and Chief Financial Officer (since September 18, 2023);
- Sarah Zhu, Chief Financial Officer (until September 17, 2023); and
- Boris Kamstra, Chief Operating Officer of Premium Nickel Resources International Ltd. (Barbados) ("PNRIL").

### **Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each Named Executive Officer and director, in any capacity, other than Options, DSUs, RSUs and other compensation securities, for the two most recently completed financial years.

**Table of Compensation Excluding Compensation Securities**

Name and Position <sup>(8)</sup>	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
<b>Keith Morrison<sup>(1)</sup></b> Chief Executive Officer and Director and Former Chairman of the Board	2023 2022	556,538 331,941	Nil Nil	Nil Nil	Nil Nil	Nil Nil	556,538 331,941
<b>Sarah Zhu<sup>(2)</sup></b> Former Chief Financial Officer	2023 2022	467,637 243,048	Nil Nil	Nil Nil	Nil Nil	Nil Nil	467,637 243,048
<b>Peter Rawlins<sup>(3)</sup></b> Senior Vice President and Chief Financial Officer	2023 2022	127,067 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	127,067 Nil
<b>Boris Kamstra<sup>(4)</sup></b> Chief Operating Officer of PNRIL	2023 2022	793,066 696,142	Nil Nil	Nil Nil	Nil Nil	Nil Nil	793,066 696,142
<b>Sean Whiteford<sup>(5)</sup></b> President of PNRIL and Former Director	2023 2022	317,554 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	317,554 Nil
<b>Charles Riopel<sup>(6)</sup></b> Former Executive Chairman	2023 2022	157,500 252,500	Nil Nil	Nil Nil	Nil Nil	Nil Nil	157,500 252,500
<b>John Hick<sup>(7)</sup></b> Director	2023 2022	Nil 15,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 15,000
<b>William O'Reilly</b> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Donald Newberry</b> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Jason LeBlanc</b> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Mark Christensen</b> Director	2023 2022	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

**Notes:**

- (1) Paid to Lacnikdon Limited and Breniklan Limited, private companies controlled by Mr. Morrison, which provide the services of Mr. Morrison as the Company's Chief Executive Officer. Mr. Morrison did not receive any compensation for his services as a director of the Company. See "*Employment, Consulting and Management Agreements*".
- (2) Paid to Consultations WJZHU Inc., a private company controlled by Ms. Zhu, which provided the services of Ms. Zhu as the Chief Financial Officer of the Company until September 17, 2023. See "*Employment, Consulting and Management Agreements*". The amount in 2023 includes a 12-month severance payment in September 2023.
- (3) Mr. Rawlins began to act as Chief Financial Officer as of September 18, 2023. The compensation paid to Mr. Rawlins represents the compensation received by him from September 18, 2023 to December 31, 2023.
- (4) Mr. Kamstra was engaged by PNRIL for his services as the Chief Operating Officer of PNRIL effective on January 1, 2022.
- (5) Mr. Whiteford was a director of the Company from August 3, 2022 to March 2, 2023.
- (6) Paid to Holding Latitude 45 Inc., a private company controlled by Mr. Riopel, which provided the services of Mr. Riopel as Executive Chairman. Mr. Riopel did not receive any compensation for his services as a director of the Company or its subsidiaries in 2022. Mr. Riopel resigned as a director of the Company effective August 2, 2023.
- (7) Mr. Hick was appointed to the board of directors of NAN on February 26, 2021 and appointed to Lead Director of the

Company post the RTO until the appointment of James Gowans as Chair of the Board on January 1, 2024.

- (8) Mr. James Gowans, Mr. Norman MacDonald and Mr. Paul Martin were appointed to the Board on January 1, 2024, June 24, 2024 and September 18, 2024, respectively, and accordingly did not receive any compensation for the two most recently completed financial years.

### External Management Companies

See "Employment, Consulting and Management Agreements" below for disclosure relating to any external management company employing or retaining individuals acting as Named Executive Officers of the Company, or that provide the Company's executive management services.

### Options and Other Compensation Securities

The following table sets forth certain information in respect of all compensation securities granted or issued to each Named Executive Officer and director by the Company or one of its subsidiaries in the financial year ended December 31, 2023, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and Position <sup>(14)</sup>	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
<b>Keith Morrison<sup>(1)</sup></b> Chief Executive Officer and Director and Former Chairman of the Board	Options	550,000	Aug 8, 2023 <sup>(2)</sup>	1.75	1.32	1.26	Aug 8, 2028
<b>Sarah Zhu<sup>(3)</sup></b> Former Chief Financial Officer	Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>Peter Rawlins<sup>(4)</sup></b> Senior Vice President and Chief Financial Officer	Options	725,000	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
<b>Boris Kamstra<sup>(5)</sup></b> Chief Operating Officer of PNRIL	Options	100,000	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
<b>Charles Riopel<sup>(6)</sup></b> Former Executive Chairman	Options	Nil	N/A	N/A	N/A	N/A	N/A
<b>John Hick<sup>(7)</sup></b> Director	Options	100,000	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs <sup>(8)</sup>	42,996	Mar 31, 2023	1.41	1.51	1.26	N/A
	DSUs	47,274	Jun 30, 2023	1.33	1.38	1.26	N/A
	DSUs	44,592	Sep 30, 2023	1.41	1.43	1.26	N/A
	DSUs	51,962	Dec 31, 2023	1.21	1.26	1.26	N/A

Compensation Securities							
Name and Position <sup>(14)</sup>	Type of Compensation on Security	Number of Compensation on Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
<b>William O'Reilly</b> <sup>(9)</sup> Director	Options	100,000	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs	29,965	Mar 31, 2023	1.41	1.51	1.26	N/A
	DSUs	33,111	Jun 30, 2023	1.33	1.38	1.26	N/A
	DSUs	30,854	Sep 30, 2023	1.41	1.43	1.26	N/A
	DSUs	37,190	Dec 31, 2023	1.21	1.26	1.26	N/A
<b>Donald Newberry</b> <sup>(10)</sup> Director	Options	100,000	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs	29,964	Mar 31, 2023	1.41	1.51	1.26	N/A
	DSUs	35,569	Jun 30, 2023	1.33	1.38	1.26	N/A
	DSUs	31,201	Sep 30, 2023	1.41	1.43	1.26	N/A
	DSUs	35,123	Dec 31, 2023	1.21	1.26	1.26	N/A
<b>Sean Whiteford</b> <sup>(11)</sup> President of PNRL and Former Director	Options	329,167	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs	19,976	Mar 31, 2023	1.41	1.51	1.26	N/A
<b>Jason LeBlanc</b> <sup>(12)</sup> Director	Options	63,288	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs	15,584	Jun 30, 2023	1.33	1.38	1.26	N/A
	DSUs	30,141	Sep 30, 2023	1.41	1.43	1.26	N/A
	DSUs	35,123	Dec 31, 2023	1.21	1.26	1.26	N/A
<b>Mark Christensen</b> <sup>(13)</sup> Director	Options	40,822	Aug 8, 2023	1.75	1.32	1.26	Aug 8, 2028
	DSUs	16,236	Sep 30, 2023	1.41	1.43	1.26	N/A
	DSUs	34,090	Dec 31, 2023	1.21	1.26	1.26	N/A

**Notes:**

- (1) As at December 31, 2023, Mr. Morrison held 3,188,194 Options exercisable for 3,188,194 PNRL Shares.
- (2) The options granted on August 8, 2023 vest annually in equal thirds beginning on the first anniversary of the date of grant. These options will be fully vested on August 8, 2026.
- (3) As at December 31, 2023, Ms. Zhu held 627,950 Options exercisable for 627,950 PNRL Shares.
- (4) As at December 31, 2023, Mr. Rawlins held 725,000 Options exercisable for 725,000 PNRL Shares.
- (5) As at December 31, 2023, Mr. Kamstra held 890,500 Options exercisable for 890,500 PNRL Shares.
- (6) As at December 31, 2023, Mr. Riopel held 1,362,700 Options exercisable for 1,362,700 PNRL Shares. Mr. Riopel resigned as a director of the Company effective August 2, 2023.
- (7) As at December 31, 2023, Mr. Hick held 160,000 Options exercisable for 160,000 PNRL Shares, and 246,824 DSUs.
- (8) The issue price of the DSUs is based on 5-day VWAP of PNRL Shares prior to the last trading day of each quarter.
- (9) As at December 31, 2023, Mr. O'Reilly held 100,000 Options exercisable for 100,000 PNRL Shares, and 181,120 DSUs.
- (10) As at December 31, 2023, Mr. Newberry held 100,000 Options exercisable for 100,000 PNRL Shares, and 171,857 DSUs.
- (11) Mr. Whiteford was a director of the Company from August 3, 2022 to March 2, 2023 and continues as President of PNRL. As at December 31, 2023, he held 329,167 Options exercisable for 329,167 PNRL Shares, and no DSUs.
- (12) Mr. LeBlanc was appointed to the Board of PNRL on May 15, 2023. As at December 31, 2023, he held 63,288 Options exercisable for 63,288 PNRL Shares, and 80,848 DSUs.
- (13) Mr. Christensen was appointed to the Board of PNRL on August 4, 2023. As at December 31, 2023, he held 40,822 Options exercisable for 40,822 PNRL Shares, and 50,326 DSUs.
- (14) Mr. James Gowans, Mr. Norman MacDonald and Mr. Paul Martin were appointed to the Board on January 1, 2024, June 24, 2024 and September 18, 2024, respectively, and accordingly did not receive any compensation for the year ended December 31, 2023.

## Exercise of Compensation Securities

No Named Executive Officers or directors of the Company exercised compensation securities during the financial year ended December 31, 2023.

## Option Plans and Other Incentive Plans

### *Option Plan*

The Company's option plan (the "**Option Plan**"), as amended, is a "**fixed**" share option plan, pursuant to which PNRL may issue up to 27,100,000 Options to eligible persons (as defined below), provided that the number of PNRL Shares reserved for issuance from treasury under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries shall not, in the aggregate, exceed 20% of the number of Shares then issued and outstanding. As of the date hereof, 14,065,321 Option have been granted and are outstanding under the Option Plan.

Options under the Option Plan may be granted by the Board to "**eligible persons**", who are directors, officers, employees or Consultants of PNRL or its subsidiaries, eligible persons who are employees of a company providing management services to PNRL, or, in certain circumstances, charitable organizations. Options granted under the Option Plan have a maximum exercise period of up to 10 years, as determined by the Board.

The Option Plan limits the number of Options which may be granted to any one individual to not more than 5% of the total PNRL Shares in any 12-month period (unless otherwise approved by the "**disinterested shareholders**" of the Company). A "**disinterested shareholder**" is a shareholder who is not a director, officer, promoter, or other insider of the Company, or its associates or affiliates, as such terms are defined under the *Securities Act* (Ontario). In addition, unless otherwise approved by the disinterested PNRL Shareholders, the number of PNRL Shares issuable under the Option Plan to all insiders of the Company as a group shall not exceed 10% of the total PNRL Shares at any point in time.

The number of Options granted to any one Consultant or investor relations service provider in any 12-month period must not exceed 2% of the total issued PNRL Shares. Options granted to investor relations service providers shall vest in stages over at least a one-year period, in accordance with the policies of the Exchange. Subject to the foregoing, any Options granted under the Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board or required by the policies of the Exchange.

The number of Options granted to all eligible charitable organizations in the aggregate must not exceed 1% of the PNRL Shares on the date of grant, which Options shall expire on or before the earlier of: (i) the date that is ten years from the grant date; or (ii) the 90<sup>th</sup> day following the date that the holder of such Options ceases to be an eligible charitable organization under the Option Plan.

Options under the Option Plan may be granted at an exercise price which is at or above the current discounted market price (as defined under the policies of the Exchange) on the date of the grant. In the event of the death or permanent disability of an optionee, any Option granted to such optionee will be exercisable upon the earlier of 365 days from the date of death or permanent disability, or the expiry date of the Option. In the event of the resignation of an optionee, or the termination or removal of an optionee without just cause, any vested Option granted to such optionee will be exercisable for a period ending on the earlier of: (i) the expiry date of such Option determined as at the date of grant thereof; and (ii) the expiration of 90 days (or such longer period, not to exceed 12 months, as may be specified by resolution of the Board) following the effective date of such resignation or termination. In the event of termination for cause, any unexercised Option granted to such optionee will be cancelled as at the date of termination.

Options may be exercised by the holder thereof: (i) by delivering to PNRL a notice specifying the number of PNRL Shares in respect of which the Option is exercised together with payment in full of the exercise price for each such PNRL Share; (ii) through a cashless exercise mechanism whereby the Company has certain arrangements with a brokerage firm; or (iii) through a net exercise mechanism whereby the optionee receives only the number of PNRL Shares that is equal to the quotient obtained by dividing (A) the product of the number of Options being exercised and

the difference between the 5-day VWAP on the Exchange immediately preceding the exercise and the exercise price of the subject Option by (B) the 5-day VWAP of the underlying PNRL Shares.

#### *DSU Plan*

The DSU Plan was adopted by the Board on December 26, 2022 and approved by PNRL Shareholders on September 20, 2023. The DSU Plan enables the Company, upon approval by the Board, to grant deferred share units ("**DSUs**") to eligible non-management directors.

#### *Purpose*

The purpose of the DSU Plan is to advance the interests of the Company and its subsidiaries by: (i) increasing the proprietary interests of non-executive directors in the Company; (ii) aligning the interests of non-executive directors of the Company with the interests of the PNRL Shareholders generally; and (iii) furnishing non-executive directors with an additional incentive in their efforts on behalf of the Company.

#### *Eligibility*

Each director of the Company in office on December 26, 2022, being the effective date of the DSU Plan (the "**Effective Date**"), became a member of the DSU Plan ("**DSUP Member**"). Each person who becomes a director at any time subsequent to the Effective Date shall thereupon, without further or other formality, become a member of the DSU Plan. For greater certainty, no investor relations service providers may receive any DSUs under the DSU Plan in their capacity as an Investor Relations Service Provider.

#### *Share Limits and Market Price*

The aggregate number of PNRL Shares made available for issuance from treasury under the DSU Plan shall not exceed 5,000,000 PNRL Shares, provided that the number of PNRL Shares reserved for issuance from treasury under the DSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries shall not, in the aggregate, exceed 20% of the number of PNRL Shares then issued and outstanding. As of the date hereof, 1,393,676 DSUs have been granted under the DSU Plan.

Each DSU will have a notional value equal, on any particular date, to the volume weighted average trading price of the PNRL Shares for the five (5) consecutive trading days prior to such date ("**Market Price**").

#### *Granting Restrictions*

The grant of DSUs under the DSU Plan is subject to a number of restrictions:

- (a) the aggregate number of PNRL Shares issuable at any time to Insiders (as defined in the DSU Plan) under the DSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries shall not, in the aggregate, exceed 10% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis (unless disinterested shareholder approval is obtained pursuant to the Corporate Finance Manual of the Exchange);
- (b) within any one-year period, the Company shall not issue to Insiders under the DSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries, in the aggregate, a number of PNRL Shares exceeding 10% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis (unless disinterested shareholder approval is obtained pursuant to the Corporate Finance Manual of the Exchange); and
- (c) within any one-year period, the Company shall not issue to any one person, or companies wholly-owned by that person, under the DSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries, in the aggregate, a number of PNRL Shares exceeding 5% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis.

### *Administration of Grants*

The Board may, at any time, grant DSUs to directors of the Company in consideration of service for any period specified in the resolution authorizing such grant (except *in lieu* of accrued and unpaid compensation amounts).

In addition, DSUP Members may elect to receive DSUs instead of cash remuneration in respect of his or her annual retainer, committee retainer and meeting fees (or any portion thereof). The number of DSUs to be notionally credited to DSUP Members *in lieu* of cash remuneration shall be determined on a quarterly basis, as of the final day of any quarterly period (the "**Crediting Date**"), calculated as the quotient obtained when (i) the aggregate value of the cash remuneration that would have been paid to such DSUP Member, is divided by (ii) the Market Price as of the last day of such quarterly period.

Unless otherwise specified by the Board and/or included in any award agreement, DSUs credited to a DSUP Member shall be fully vested on the applicable Crediting Date.

### *Redemption*

The DSUs credited to the account of a director may only be redeemed following the date upon which the holder ceases to be a director. Depending upon the country of residence of a director, the DSUs may be redeemed at any time prior to December 15 in the calendar year following the year in which the holder ceases to be a director and may be redeemed in as many as four installments. Upon redemption, the holder is entitled to a cash payment equal to the number of DSUs redeemed multiplied by the Market Price on that date. The Company has the right to elect to settle redemption payments in PNRL Shares in lieu of cash.

The Company will deduct or withhold from any payment or settlement in PNRL Shares, for the benefit of a DSUP Member, any amount required in order to comply with the applicable provisions of any federal or provincial law relating to the withholding of tax or the making of any other source deductions.

### *No Shareholder Rights*

DSUs are different from PNRL Shares and will not entitle a DSUP Member to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

### *Suspension, Termination or Amendments*

The Board may amend, suspend or terminate (and re-instate) the DSU Plan in whole or in part, or amend the terms of DSUs credited in accordance with the DSU Plan, without approval of the PNRL Shareholders. However, such suspension, termination or amendment is subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Exchange.

If any such amendment, suspension or termination will materially or adversely affect the rights of a DSUP Member with respect to DSUs credited to such director, then the written consent of the DSUP Member will be obtained. However, a DSUP Member's written consent will not be required if such amendment, suspension or termination is required in order to comply with applicable laws, regulations, rules, orders of government or regulatory authorities or the requirements of any stock exchange on which shares of the Company are listed.

In addition, the Company may not make the following amendments to the DSU Plan without the approval of the PNRL Shareholders: (i) an amendment to remove or exceed the insider participation limit prescribed by the Corporate Finance Manual of the Exchange; (ii) an amendment to increase the maximum number of PNRL Shares made available for issuance from treasury under the DSU Plan; (iii) an amendment to modify the definition of "**Eligible Director**" in the DSU Plan; or (iv) an amendment to the amending provision within the DSU Plan.

If the Board (or such other committee of the directors appointed to administer the DSU Plan) terminates the DSU Plan, DSUs previously credited to DSUP Members will remain outstanding and in effect and be settled in due course in accordance with the terms of the DSU Plan.

### *Non-Transferability of Awards*

Except as otherwise may be expressly provided for under the DSU Plan or pursuant to a will or by the laws of descent and distribution, no right or interest of a DSUP Member under the DSU Plan is assignable or transferable.

### *Clawback*

All DSUs granted under the DSU Plan shall be and remain subject to any incentive compensation clawback or recoupment policy currently in effect or as may be adopted by the Board.

### *RSU Plan*

The RSU Plan was adopted by the Board on August 22, 2024. The RSU Plan enables the Company upon approval by the Board to grant restricted share units ("**RSUs**") to eligible Participants. At the Meeting, PNRL Shareholders are being asked to consider and, if thought fit, pass, with or without variation, the RSU Plan Resolution approving the RSU Plan, as more particularly described in this Information Circular. See "*Particulars of Matters to be Acted Upon at the Meeting*".

The following is a summary of the principal terms of the RSU Plan, which is qualified in its entirety by reference to the text of the RSU Plan, a copy of which is attached on Appendix "E" – "*RSU Plan*" to this Information Circular.

All terms of the RSU Plan remain subject to the rules and policies of the Exchange.

### *Purpose*

The purpose of the RSU Plan is to provide medium-term incentive compensation to employees of the Company or its subsidiaries, provide additional incentive for their continued efforts in promoting the growth and success of the business of the Company, and assist the Company in attracting and retaining senior management personnel and other employees.

### *Eligibility*

Any director, officer, employee, Consultant or management company employee, other than any investor relations service providers, of the Company or any subsidiary of the Company, is eligible under the RSU Plan. The Board has sole discretion to determine who is eligible under the RSU Plan and to whom RSUs may be granted, subject to the express provisions of the RSU Plan and the rules and policies of the Exchange (each eligible person granted an RSU, a "**Participant**").

### *Share Limits and Market Price*

The aggregate number of PNRL Shares made available for issuance from treasury under the RSU Plan shall not exceed 5,000,000 Shares, provided that the number of Shares reserved for issuance from treasury under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries shall not, in the aggregate, exceed 20% of the number of Shares then issued and outstanding. As of the date hereof, 1,000,000 RSUs have been granted under the RSU Plan, which remain subject to approval and ratification by the Shareholders.

Each RSU will have a notional value equal, on any particular date, to the volume weighted average trading price of the PNRL Shares for the five (5) consecutive trading days prior to such date ("**Market Price**").

### *Dividends*

A Participant shall be credited on each dividend payment date (other than stock dividends payable in PNRL Shares), with additional RSUs. The number of additional RSUs shall be determined by obtained by multiplying (i) a dollar amount equal to the dividend declared and paid by the Company on the Shares on a per share basis, by (ii) the number of RSUs held by the Participant; by (b) the Market Price of Shares on the dividend payment date.

### *Granting Restrictions*

The grant of RSUs under the RSU Plan is subject to a number of restrictions, including that:

- (a) the aggregate number of Shares issuable at any time to Insiders (as defined in the RSU Plan) under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries shall not, in the aggregate, exceed 10% of the issued and outstanding Shares, calculated on a non-diluted basis (unless disinterested shareholder approval is obtained pursuant to the rules and policies of the Exchange);
- (b) within any one-year period, the Company shall not issue to Insiders under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries, in the aggregate, a number of Shares exceeding 10% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis (unless disinterested shareholder approval is obtained pursuant to the rules and policies and rules of the Exchange);
- (c) within any one-year period, the Company shall not issue to any one Consultant under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries, in the aggregate, a number of PNRL Shares exceeding 2% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis; and
- (d) within any one-year period, the Company shall not issue to any one person, or companies wholly-owned by that person, under the RSU Plan and all other security-based compensation arrangements of the Company and its subsidiaries, in the aggregate, a number of PNRL Shares exceeding 5% of the issued and outstanding PNRL Shares, calculated on a non-diluted basis.

### *Administration of Grants*

The Board may, at any time other than from December 5 to December 31 in any year, grant RSUs to eligible Participants in consideration of service for any period specified in the resolution authorizing such grant (except in lieu of accrued and unpaid compensation amounts).

Unless otherwise specified by the Board and/or included in any award agreement, RSUs granted to a Participant shall vest (a) as to one-third on the first anniversary of the date that such RSU was granted (the "**Grant Date**"), (b) as to one-third on the second anniversary of the Grant Date, and (c) as to the remaining one-third on the earlier of the third anniversary of the Grant Date and the Business Day immediately preceding the expiry date of the granted RSUs.

The Board may specify any additional conditions to the vesting of the RSUs, as set out in the relevant award agreement.

### *Redemption*

Depending upon the country of residence of a director, the holder may be entitled to redeem RSUs on the earlier of either twenty-five days following the Vesting Date (as defined in the RSU Plan), or a date agreed on by the Company and holder. Upon redemption, the holder is entitled to either a cash payment equal to the Market Price on the Vesting Date, or one Share, at the Company's discretion.

The Company will deduct or withhold from any payment or settlement in Shares, for the benefit of the Participant, any amount required in order to comply with the applicable provisions of any federal or provincial law relating to the withholding of tax or the making of any other source deductions.

### *No Shareholder Rights*

RSUs are different from Shares and will not entitle any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

### *Suspension, Termination or Amendments*

The Board may amend, suspend or terminate the RSU Plan in whole or in part, or amend the terms of RSUs credited in accordance with the RSU Plan, without approval of the Shareholders. However, such suspension, termination or amendment is subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Exchange.

If any such amendment, suspension or termination will materially or adversely affect the rights of a Participant with respect to RSUs credited to such director, then the written consent of the Participant will be obtained.

If the Board (or such other committee of the directors appointed to administer the RSU Plan) terminates the RSU Plan, the Board may determine whether the RSUs credited shall be vested on the date of the termination of the RSU Plan or held and vested at a later date.

### *Non-Transferability of Awards*

Except in the case of a death of a Participant, no right or interest of a Participant under the RSU Plan is assignable or transferable. Such rights or interests shall not be encumbered by any means.

### *Clawback*

All RSUs granted under the RSU Plan shall be and remain subject to any incentive compensation clawback or recoupment policy currently in effect or as may be adopted by the Board.

## **Employment, Consulting and Management Agreements**

The following is a description of the material terms of each agreement or arrangement under which compensation was provided during the financial year ended December 31, 2023 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or Named Executive Officer.

### *Keith Morrison*

Keith Morrison and NAN entered into an employment agreement dated December 15, 2014, setting out the terms and conditions of Mr. Morrison's employment as Chief Executive Officer of the Company.

Effective on June 1, 2018, NAN and Mr. Morrison agreed to amend the terms of Mr. Morrison's employment from direct employment to contracted consultant. In connection with the foregoing, the Company and Lacnikdon Limited, a private company controlled by Mr. Morrison, entered into a service agreement, pursuant to which Lacnikdon Limited provided the services of Mr. Morrison as the Company's Chief Executive Officer. Upon the closing of the RTO Transaction, PNRL entered into a services agreement with Breniklan Limited, a private company controlled by Mr. Morrison for his continuing service post the RTO Transaction. Under the services agreement, Breniklan Limited is entitled to a monthly service fee of \$35,506 plus applicable tax, effective August 3, 2022. The monthly fee was further increased to \$46,378 from January 1, 2023.

If the services agreement is terminated without cause by the Company within six months following a Change of Control event (a "**Change of Control Window**"), the Company shall pay to Mr. Morrison in lump sum or in monthly installments a cash amount equal to twenty-four months service fees at the date of termination.

### *Peter Rawlins*

Peter Rawlins and PNRL entered into an employment agreement effective as of July 20, 2023 providing for his employment as Chief Financial Officer commencing September 18, 2023. The agreement provides for an annual rate of base salary equal to \$400,000.

If Mr. Rawlins' employment is terminated by Mr. Rawlins himself, for good reason or by the Company without Cause, in each case as set out and defined in the employment agreement, (other than on account of Mr. Rawlins' death or permanent disability) in either case within twenty-four (24) months following a Change of Control of PNRL, on such termination date, he shall be entitled to: (i) a lump sum payment in lieu of notice equal to 1.75 times the sum of Mr. Rawlins' base salary plus the average annual incentive compensation paid to Mr. Rawlins calculated based upon the last three fiscal years ended immediately preceding the termination date, in addition to any other payments owed to Mr. Rawlins, as well as the continuation of medical, dental and pension benefits for a period of twenty-one (21) month period; and (ii) any securities convertible into or exchangeable for securities or shares of the Company or any affiliate or any other equity linked entitlements related to the PNRL Shares shall be accelerated so that such rights become immediately exercisable for a period of 180 days after such termination date.

#### *Sarah Zhu*

Sarah Zhu and NAN entered into an employment agreement dated April 28, 2018, setting out the terms and conditions of Ms. Zhu's employment as Chief Financial Officer of the Company.

Effective on October 1, 2020, NAN and Ms. Zhu agreed to amend the terms of Ms. Zhu's employment from direct employment to contracted consultant. In connection with the foregoing, NAN and WJZHU Inc., a private company controlled by Ms. Zhu, entered into a service agreement, pursuant to which WJZHU Inc. provided the services of Ms. Zhu as the Company's Chief Financial Officer. Under the service agreement, WJZHU Inc. was entitled to a monthly service fee of \$20,667 plus applicable tax.

Ms. Zhu stepped down from her position as Chief Financial Officer of the Company effective September 17, 2023 and continues with the Company in a senior accounting role during a transitional period. During such transitional period, WJZHU Inc., a private company controlled by Ms. Zhu, is entitled to a monthly service fee of \$20,6067 plus applicable tax and thereafter a daily service fee of \$750 per day for any specifically requested services pursuant to an amended and restated consulting agreement among Ms. Zhu, WJZHU Inc. and PNRL.

#### *Boris Kamstra*

PNRIL entered into a consulting agreement with ANZAC Consulting Ltd ("**ANZAC**") dated January 1, 2023. Under the agreement, ANZAC provides the services of Mr. Kamstra who is responsible for providing leadership for and input to the design, build, redevelopment and commissioning of the Company's projects in Botswana, delivering Stage 3 (Hot Commissioning) wherein the projects are producing commercial levels of saleable concentrates, and assuming responsibility and authority for the effective leadership and management of the re-engineering, engineering, construction and commissioning of the Botswana projects so as to confidently and reasonably project financial results in line with objectives as provided by the Company. Mr. Kamstra is the Chief Operating Officer of PNRIL. PNRIL agreed to pay ANZAC a monthly service fee of US\$50,000. The agreement may be terminated by either PNRIL or ANZAC on 90 days' written notice and does not contain any change of control provision.

#### *Norman MacDonald*

PNRL, Norman MacDonald and NAM Management Ltd. ("**NAM**"), a private company controlled by Norman MacDonald, entered into a consulting agreement dated June 24, 2024. Under the consulting agreement, NAM provides the services of Mr. MacDonald and will perform such services for PNRL as are agreed to from time to time by PNRL and NAM. The initial services include providing advice and assistance to PNRL, in collaboration with the Chief Executive Officer, the Chief Financial Officer and other senior officers of PNRL and its affiliates, in connection with (i) the capital markets strategy of PNRL and the execution thereof, (ii) the other financing strategies and opportunities of PNRL, (iii) capital budgeting, and (iv) such other advice or services as PNRL may reasonably request from time to time. Following the expiration of six months from the date of the consulting agreement, NAM shall provide only such services as are at any time or from time to time reasonably requested by PNRL and agreed to by NAM. NAM shall be paid fees at the monthly rate of \$18,000 during the first six months of the term of the consulting agreement and thereafter NAM shall be compensated at the daily rate of \$1,500, while actively engaged at the specific request of PNRL. Following completion of the first six months of the term of the consulting agreement, NAM will be eligible for a grant of Options under the Option Plan, in the absolute, unfettered discretion of the Board, having regard to the Board's good faith assessment of the contribution of NAM to the business and affairs of PNRL. The consulting

agreement may be terminated by either PNRL or NAM on two weeks' written notice and does not contain any change of control provision.

*Charles Riopel*

Holding Latitude 45 Inc., a private company controlled by Mr. Riopel, provided the services of Mr. Riopel as Executive Chairman. Total consulting fees paid to Holding Latitude 45 Inc. were \$252,500 in 2022 and \$157,500 in 2023. Mr. Riopel resigned as a director of the Company effective August 2, 2023.

### Estimated Incremental Payments

The following shows the estimated incremental payments that would be payable to each of the Named Executive Officers of the Company in the event of a Change of Control or termination without cause of such Named Executive Officers on December 31, 2023.

Name	Estimated Payment for a Termination without Cause during a Change of Control Window <sup>(1)</sup> ( <b>\$</b> )	Estimated Payment for a Termination without Cause outside a Change of Control Window <sup>(2)</sup> ( <b>\$</b> )
Keith Morrison, Chief Executive Officer	1,575,565	1,168,728

**Notes:**

- (1) Represents fees for a period of 24 months at approximately \$48,697 per month, plus applicable tax, as well as the value of \$406,837 for 550,000 options that would become vested as a result of such event, based on the closing price of the PNRL Shares of \$1.26 on December 29, 2023.
- (2) Represents fees for a period of 24 months at approximately \$48,697 per month, plus applicable tax.

Name	Estimated Change of Control Payment <sup>(1)</sup> ( <b>\$</b> )	Estimated Termination Without Cause Payment <sup>(2)</sup> ( <b>\$</b> )
Peter Rawlins, Senior Vice President and Chief Financial Officer	1,843,853	717,500

**Notes:**

- (1) Represents 1.75 times of sum of: (a) the executive's base salary; (b) 24 months of health benefits; and (c) value of the incentive options granted, as well as the value of \$536,286 for 725,000 options that would become vested as a result of such event, based on the closing price of the PNRL Shares of \$1.26 on December 29, 2023.
- (2) Represents 1.75 times of the executive's base salary and 21 months of health benefits, plus applicable taxes.

### Oversight and Description of Director and Named Executive Officer Compensation

The Company has a Human Resources and Compensation Committee (the "**Compensation Committee**"), currently comprised of Paul Martin (Chair), Jason LeBlanc and William O'Reilly.

The Compensation Committee is responsible for overseeing the Company's remuneration policies and practices and determining the compensation of the Named Executive Officers and directors.

The Company's executive compensation program has three principal components: base salaries, consulting fees and equity incentive plans, including Options, DSUs and RSUs.

### *Base Compensation*

The Company provides executive officers with base salaries or consulting fees, which represent their minimum compensation for services rendered, or expected to be rendered. The Named Executive Officers' base compensation depends on the scope of their experience, responsibilities, leadership skills, performance, length of service, general industry trends and practices, competitiveness and the Company's existing financial resources.

The amount of base compensation is determined through negotiation of employment terms with each Named Executive Officer and is determined on an individual basis. While base compensation is intended to fit into the Company's overall compensation objectives by serving to attract and retain talented executive officers, the size of the Company and the nature and stage of its business also impacts the level of base compensation. Compensation is set with informal reference to the market for similar jobs in Canada and internationally.

### *Incentive Bonuses*

Incentive bonuses, in the form of cash payments or equity grants, are designed to add a variable component of compensation based on corporate and individual performance for executive officers and employees. As the Company grows and develops its projects, it is expected that an annual incentive award program will be formalized that will clearly articulate performance objectives and specific measurable goals that will be linked to individual performance criteria set for the Named Executive Officers and other executive officers. No bonuses were paid to executive officers or employees during the Company's financial year ended December 31, 2023.

### *Option-Based and Other Equity-Based Awards*

Options are granted pursuant to the Option Plan to provide an incentive to the directors, officers, employees and Consultants of the Company to achieve the longer-term objectives of the Company, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

DSUs are granted pursuant to the DSU Plan to directors of the Company to advance the interests of the Company and its subsidiaries by: (i) increasing the proprietary interests of non-executive directors in the Company; (ii) aligning the interests of non-executive directors of the Company with the interests of the PNRL Shareholders generally; and (iii) furnishing non-executive directors with an additional incentive in their efforts on behalf of the Company.

RSUs are granted pursuant to the RSU Plan to employees of the Company to provide long-term incentive compensation to employees of the Company or its subsidiaries, provide additional incentive for their continued efforts in promoting the growth and success of the business of the Company, and assisting the Company in attracting and retaining senior management personnel and other employees.

The Company awards Options, DSUs and RSUs based upon the recommendation of the Compensation Committee. Grants of options and RSUs are based on the Compensation Committee's review of a proposal from the Chief Executive Officer. Previous grants of Options and RSUs are taken into account when considering new grants.

The implementation of new incentive plans and amendments to the Option Plan, DSU Plan and/or RSU Plan are the responsibility of the Compensation Committee.

The compensation securities issued to NEOs and directors of the Company in the fiscal year ended December 31, 2024 are identified in the section of this Information Circular, entitled "*Options and Other Compensation Securities*".

### *Other Compensation*

Other than as outlined herein, the Company has no other forms of compensation, although payments may be made from time to time to individuals, or the companies they control, for the provision of consulting services. Such

consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

#### *Compensation Risks*

The Compensation Committee is responsible for considering, reviewing and establishing executive compensation programs, and for assessing whether the programs encourage unnecessary or excessive risk taking. The Company believes the programs are balanced and do not motivate unnecessary or excessive risk taking.

Base compensation amounts are fixed in amount and thus do not encourage risk taking. The Company does not currently have any annual incentive or bonus programs.

RSU and Option awards are important to further align the interests of Named Executive Officers with those of the PNRL Shareholders. The ultimate value of the awards is tied to the Company's share price and, since awards are staggered and subject to multi-year vesting schedules, they help ensure that Named Executive Officers have significant value tied to long-term share price performance.

#### *Hedging*

The Company has not established any policies related to the purchase by directors or executive officers of financial instruments (including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by any director or executive officer of the Company.

#### **Pension Disclosure**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2023:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by Shareholders <sup>(1)</sup>	14,218,896	\$1.39	15,641,288 <sup>(2)</sup>
Equity compensation plans not approved by Shareholders <sup>(4)</sup>	Nil	N/A	N/A
<b>Total</b>	<b>14,218,896</b>	<b>\$1.39</b>	<b>15,641,288<sup>(2)(3)</sup></b>

#### **Notes:**

- (1) Represents information relating to the Option Plan and the DSU Plan.
- (2) The number of PNRL Shares reserved for issuance under the Option Plan, the RSU Plan, the DSU Plan and pursuant to all other security-based compensation arrangements of the Company and its subsidiaries shall, in the aggregate, not exceed 20% of the number of PNRL Shares then issued and outstanding.
- (3) Subsequent to the year ended December 31, 2023, the Company granted an aggregate of 3,110,000 Options on August 14, 2024 with an exercise price of \$1.10 per share, expiry date of August 14, 2029 and vesting annually in equal thirds beginning the date of grant. As of the date hereof, 16,169,821 Options, 1,393,676 DSUs and 1,000,000 RSUs (subject to the approval and ratification of such grant by the Shareholders) are outstanding, with 8,690,363 Options, 3,606,324 DSUs and 9,000,000

RSUs remaining available for future issuance under the equity compensation plans, subject to the overall limit provided in note 2 above.

- (4) The Company is seeking approval for the 1,000,000 RSUs previously granted on August 22, 2024, subsequent to the year ended December 31, 2023. See "*Particular of Matters to be Acted Upon at the Meeting – Approval of Prior RSU Grants*".

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

As of the date hereof, other than any indebtedness that has been entirely repaid on or before the date of this Information Circular or "**routine indebtedness**" (as defined in Form 51-102F5 – *Information Circular* of NI 51-102), none of:

- (a) the individuals who are, or at any time since the beginning of the last financial year of the Company were, a director or executive officer of the Company;
- (b) the proposed Nominees for election as a director of the Company; or
- (c) any Associates of the foregoing persons,

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

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

Except as disclosed in this Information Circular or in the notes to the audited consolidated financial statements of the Company for the financial year ended December 31, 2023, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed Nominees for election as a director of the Company; or
- (c) any Associate or Affiliate of the foregoing persons,

has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction, which, in either case, has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

### **PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING**

#### **Financial Statements**

At the Meeting, PNRL Shareholders will receive and consider the audited consolidated financial statements of PNRL as at and for the years ended December 31, 2023, and the independent auditor's report thereon, but no vote by the PNRL Shareholders with respect thereto is required or proposed to be taken. These annual financial statements, the auditor's report thereon and the related management's discussion and analysis for the financial year ended December 31, 2023 have been mailed to the PNRL Shareholders who requested to receive them and are also available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under PNRL's issuer profile. Additional copies of the financial statements may be obtained from the Company on request and will be available at the Meeting.

#### **Election of the Directors**

Each director of the Company is elected annually and holds office until the next annual general meeting of shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the articles of PNRL or any successor corporation thereof. The Board currently consists of six

directors, the term of office for each of whom expires at the close of the Meeting and the Board has determined that six directors will be elected at the Meeting.

PNRL Shareholders will be asked at the Meeting to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution (the "**Director Election Resolution**") electing each of Mark Christensen, James Gowans, Jason LeBlanc, Norman MacDonald, Paul Martin, Keith Morrison, Don Newberry and William O'Reilly (the "**Nominees**"), as directors of the Company to hold office from the close of the Meeting until the next annual general meeting of the PNRL Shareholders or until their successors are duly elected or appointed.

The full text of the Director Election Resolution is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to this Information Circular. In order to be passed, the Director Election Resolution requires the approval of a majority of the votes cast thereon by PNRL Shareholders present in person or represented by proxy at the Meeting.

**The Board unanimously recommends that PNRL Shareholders vote FOR the Director Election Resolution. In the absence of instructions to the contrary, the persons whose names appear in the enclosed Proxy intend to vote FOR the Director Election Resolution.**

Management does not contemplate that any of the Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons named in the accompanying Proxy to vote the Proxy for the election of any other person or persons in place of any Nominee or Nominees unable to serve. All Nominees have established their eligibility and willingness to serve as directors.

Information with respect to each Nominee is included below. The disclosure below is based upon information furnished by the respective Nominee. Except as otherwise indicated, each of the proposed Nominees has held the principal occupation shown beside the Nominee's name in the tables below, or another executive office with the same or a related company, for the last five years.

#### *Board of Directors*

The following table sets out required information regarding the persons nominated by management for election as a director. No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

<b>Name, Province or State and Country of Residence, Present Position with the Company</b>	<b>Principal Occupation and, if not at Present an Elected Director, Occupation During the Past Five Years</b>	<b>Director Since</b>	<b>Number of PNRL Shares Beneficially Owned, Controlled or Directed<sup>(1)</sup></b>
<b>Mark Christensen</b> <sup>(2)(6)(13)</sup> Ontario, Canada Director	Founder and CEO of KES 7 Capital Inc.	August 4, 2023	1,270,097 <sup>(3)</sup>
<b>James Gowans</b> Vancouver, British Columbia Director & Independent Chairman	Corporate director	January 1, 2024	211,538 <sup>(4)</sup>
<b>Jason LeBlanc</b> <sup>(5)(6)</sup> Ontario, Canada Director	Corporate director	May 15, 2023	500,000 <sup>(7)</sup>
<b>Norman MacDonald</b> <sup>(12)(13)</sup> Ontario, Canada Director	Senior Advisor, Natural Resources at Fort Capital; Senior Portfolio Manager at Invesco Canada	June 24, 2024	652,600 <sup>(8)</sup>

<b>Name, Province or State and Country of Residence, Present Position with the Company</b>	<b>Principal Occupation and, if not at Present an Elected Director, Occupation During the Past Five Years</b>	<b>Director Since</b>	<b>Number of PNRL Shares Beneficially Owned, Controlled or Directed<sup>(1)</sup></b>
<b>Paul Martin</b> <sup>(5)(6)(13)</sup> Ontario, Canada Director	Corporate director, Interim CEO of Osisko Gold Royalties Ltd and President and CEO of Detour Gold Corporation	September 18, 2024	Nil
<b>Keith Morrison</b> <sup>(12)</sup> Ontario, Canada Chief Executive Officer and Director and Former Chairman of the Board	Chief Executive Officer	December 17, 2014	7,293,123 <sup>(9)</sup>
<b>Don Newberry</b> <sup>(2)(5)(13)</sup> Ohio, United States Director	Chief Financial Officer at Ohio Truck Sales	October 12, 2022	367,750 <sup>(10)</sup>
<b>William O'Reilly</b> <sup>(2)(12)</sup> Ontario, Canada Director	Corporate director	August 9, 2022	532,100 <sup>(11)</sup>

**Notes:**

- (1) The information as to PNRL Shares beneficially owned, controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective Nominee. The information is provided as of the Record Date.
- (2) Member of the Corporate Governance and Nominating Committee.
- (3) Mr. Christensen holds: (i) 1,077,790 PNRL Shares, directly; and (ii) 192,307 PNRL Shares, indirectly, through Christensen GM&P Holdings Corp., a private company beneficially owned or controlled by Mr. Christensen. Mr. Christensen also beneficially owns, controls or directs 147,084 DSUs, 70,822 options and 576,923 warrants.
- (4) Mr. Gowans also beneficially owns, controls or directs 146,604 DSUs, 50,000 Options and 128,205 warrants.
- (5) Member of the Audit Committee.
- (6) Member of the Compensation Committee.
- (7) Mr. LeBlanc also beneficially owns, controls or directs 180,539 DSUs, 93,288 Options and 150,000 warrants.
- (8) Mr. MacDonald also beneficially owns, controls or directs 2,983 DSUs, 30,000 Options and 320,600 warrants.
- (9) Mr. Morrison holds: (i) 3,284,330 PNRL Shares, directly; (ii) 336,330 PNRL Shares, indirectly, through Lacnikdon Limited, a private company beneficially owned or controlled by Mr. Morrison; and (iii) 3,672,463 PNRL Shares, indirectly, through Breniklan Limited, a private company beneficially owned or controlled by Mr. Morrison. Mr. Morrison also owns, controls or directs 3,938,194 Options.
- (10) Mr. Newberry also beneficially owns, controls or directs 277,412 DSUs and 130,000 Options.
- (11) Mr. O'Reilly also beneficially owns, controls or directs 286,674 DSUs, 130,000 Options and 75,000 warrants.
- (12) Member of the Disclosure Committee.
- (13) Member of the Sustainability Committee.

As of the Record Date, there are 185,708,588 PNRL Shares issued and outstanding. The directors of PNRL, as a group, beneficially own, control or direct, directly or indirectly, 10,827,208 PNRL Shares, representing approximately 5.8% of the PNRL Shares outstanding as of the Record Date.

*Board Biographies*

The following are brief biographies of the Board.

**Mark Christensen, Director**

Mark Christensen has spent the last 30 years as a specialist advisor/banker in public and private capital markets. He has experience in a broad range of corporate and capital market transactions, from mergers and acquisitions and "grey market" trading, to equity and debt structured financings totaling in the tens of billions of dollars. Mr. Christensen is

the Founder and CEO of KES 7 Capital Inc., a Toronto-based, merchant bank and single-family office that targets bespoke investments in the resource, healthcare, real estate and technology sectors. Prior to founding KES 7, Mr. Christensen was Vice Chairman and Head of Global Sales and Trading at GMP Securities (now Stifel Canada), which was one of Canada's largest independent investment banks, where he served as a member of the Executive Committee, Compensation Committee and New Names Committee. Previously he worked in equity research at Midland Walwyn Capital Inc. (now Merrill Lynch/Bank of America) and corporate finance at Goepel McDermid Inc. (now Raymond James Financial). Mr. Christensen's background in geology and geophysics has provided him with valuable insight into extractive resource industries. He holds a Master of Science degree from the University of Windsor, Canada and a Bachelor of Science degree from the University of Hull, United Kingdom.

***James Gowans, Director and Independent Chairman***

Mr. Gowans has over 30 years of experience as a senior executive in the mining industry, with notable roles at Debswana Diamond Company in Botswana, DeBeers SA, DeBeers Canada Inc., PT Inco, Cominco/Teck and Placer Dome Ltd. Mr. Gowans has served on the boards of numerous Canadian publicly traded mining companies, including Cameco Corporation, Arizona Mining Inc., Trilogy Metals Inc., Detour Gold Corporation, New Gold Inc., Marathon Gold Corp., Paycore Minerals Inc. and Treasury Metals Inc. where he currently serves as Chairman of the Board of the Company. He was also CEO and interim president of Trilogy Metals Inc., held roles as CEO, president, and director at Arizona Mining Inc., and served as co-President of Barrick Gold Corporation before becoming a senior advisor to the Chairman of the Board at Barrick Gold Corporation. Mr. Gowans holds a Bachelor of Applied Science in Mineral Engineering degree from the University of British Columbia and has attended the Banff School of Advanced Management. He is a past chair of the Mining Association of Canada.

Mr. Gowans was appointed a director and an independent Chairman of the Board of the Company on January 1, 2024.

***Jason LeBlanc, Director***

Mr. LeBlanc has over 25 years of financial, business and capital markets experience in the mining industry. He is currently the Chief Financial Officer of Allied Gold Corporation and previously was the Chief Financial Officer of Yamana Gold Inc. from 2017 to 2023, following successively senior roles with Yamana Gold Inc. since 2006 that included debt and equity raises totaling over \$2 billion and extensive M&A and other corporate transactions totaling over \$15 billion. Mr. LeBlanc holds a Master of Finance degree from the University of Toronto and a Bachelor of Commerce degree from the University of Windsor. He also holds a Chartered Financial Analyst designation.

***Norman MacDonald, Director***

Norman MacDonald has over 25 years of experience working at natural resource focused institutional investment firms, including over 10 years as a Senior Portfolio Manager at Invesco Ltd. He recently served as Senior Advisor, Natural Resources at Fort Capital from February 2021 until June 24, 2024. Mr. MacDonald began his investment career at Ontario Teachers' Pension Plan Board, where he worked for three years in progressive roles from Research Assistant to Portfolio Manager. His next role was as a VP and Partner at Beutel, Goodman & Co. Ltd. Prior to joining Invesco Ltd., he was a Vice President and Portfolio Manager at Salida Capital. Mr. MacDonald is a director and Chair of the Board at Osisko Gold Royalties. He holds a Bachelor of Commerce Degree from the University of Windsor and is a CFA Charterholder.

Mr. MacDonald was appointed a director of the Company on June 24, 2024.

***Paul Martin, Director***

Mr. Martin is a mining executive with over 30 years of experience at the CEO, CFO and director levels, in challenging and changing corporate environments. He has gained significant experience through his various roles at multi-operational mining, royalty and exploration companies listed on the Toronto Stock Exchange, TSX Venture Exchange and New York Stock Exchange. He currently serves as the Chair of the Board of Red Pine Exploration and as a director of Osisko Bermuda Limited. Mr. Martin was interim CEO at Osisko Gold Royalties Ltd from July to December 2023 and at Red Pine Exploration from March to August 2024, in each case during CEO transition periods. He was

previously President and CEO at Detour Gold Corporation from 2013 to 2018 and, prior to that, CFO at Detour from 2008 until 2013. He played a significant role on the senior executive team that permitted, completed a bankable feasibility study, financed, constructed and brought into operation the large-scale Detour Lake gold mine. Mr. Martin has worked in various senior financial roles at New Gold Inc., Gabriel Resources Ltd. and TVX Gold Inc. He has significant experience in governance matters related to publicly listed companies and holds the designation of CPA, CA.

**Keith Morrison, Chief Executive Officer and Director**

Mr. Morrison has over 40 years of global experience in the resources sector, with an accomplished background in strategy, finance, exploration, technology, global operations, capital markets and corporate development. Formerly, Mr. Morrison co-founded two significant Canadian-based success stories, Quantec, a world-leader in deep sub-surface imaging technologies, and QGX, a Canadian-based public exploration company which operated in Mongolia prior to its acquisition. Since 1986, Mr. Morrison has continuously served on private and public company board of directors, and senior management teams as Chief Executive Officer. During this period, he has been in leadership positions through multiple commodity cycles and several black swan events. He currently serves as a director and the Chief Executive Officer of PNR, and a director and the Chief Executive Officer of PNRL.

**Don Newberry, Director**

Mr. Newberry has over 20 years of experience in a variety of senior financial and project management leadership roles and he is currently the Chief Financial Officer at Ohio Truck Sales. Don has spent most of his career working internationally in the Mining industry for Diavik Diamond Mines, Cleveland Cliffs, and Nyrstar. He is experienced in overseeing large mining projects from studies through to execution, risk management, M&A, integration, and implementing financial controls and oversight of company's assets. Mr. Newberry completed his bachelor of Commerce (Accounting) at Ottawa University, Master of Business Administration (MBA) in Global Management at University of Phoenix, and he also completed the Program for Leadership Development (PLD) at Harvard Business School. He is a Chartered Professional Accountant / Certified Management Accountant (CPA, CMA).

**William O'Reilly, Director**

Mr. O'Reilly is a Corporate Director. He was Managing Partner and a member of the Management Committee of Davies Ward Phillips & Vineberg LLP, a leading Canadian law firm, from 1997 until his retirement from those positions on May 31, 2010. He was a partner of that firm from 1976 to December 31, 2011, except for the period between August 1993 and January 1996 when he served as an executive officer of Russel Metals Inc., one of North America's leading metals distribution companies. Mr. O'Reilly served as a director of Russel Metals Inc. from May, 2009 to May 2024.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

For the purposes of the following disclosure, "**order**" means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, any of which was in effect for a period of more than thirty (30) consecutive days.

Except as disclosed below, to the knowledge of the Company, no proposed Nominee:

- (a) is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including PNRL) that,
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that

occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

- (b) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including PNRL) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, amalgamation or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, amalgamation or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

James Gowans was a director of Gedex Systems Inc. ("**Gedex**"), a company based in Mississauga, Ontario. On August 9, 2019, Gedex filed a notice of application in the Ontario Superior Court of Justice (the "**Court**") under the Companies' Creditors Arrangement Act (the "**CCAA**") requesting an order approving a sale and investor solicitation process ("**SISP**") in respect of the property, assets and undertakings of Gedex. The notice of application also sought an order appointing Zeifman Partners Inc. ("**Zeifman**") as monitor in the proceedings (in such capacity, the "**Monitor**"). On August 12, 2019, the Court made an order authorizing and approving, among other things, the commencement of the SISP and a stay of proceedings until September 11, 2019. On the same date, the Court made an additional order granting Gedex protection from its creditors pursuant to the CCAA and appointing Zeifman as the Monitor of Gedex. On August 28, 2019, the first report of the Monitor was issued and, on September 3, 2019, the Court issued a further order granting, among other things, an extension of the stay period until December 10, 2019. On December 5, 2019, the Court certified that all matters to be attended to in connection with these CCAA proceedings have been completed and Zeifman filed its discharge notice on December 23, 2019, terminating the CCAA proceedings.

Mr. Christensen was a director of Lilis Energy, Inc. ("**Lilis**"), an exploration and production company operating in the Permian Basin of West Texas and Southeastern New Mexico. Mr. Christensen resigned from the Lilis board of directors on April 14, 2020. On June 29, 2020, Lilis filed petitions under Chapter 11 of the United States Bankruptcy Code. Lilis announced on June 30, 2020 that it had received notification dated June 29, 2020 from the NYSE American LLC that Lilis' common stock had been suspended from trading on the NYSE American and that Lilis was no longer suitable for listing. On December 2, 2020, Lilis announced the closing of the sale of substantially all of the assets of Lilis and its filing subsidiaries to Ameredev Texas, LLC pursuant to a previously disclosed bankruptcy court-approved purchase and sale agreement.

#### **Appointment and Remuneration of Auditor**

At the Meeting, PNRL Shareholders will be asked to approve the appointment of MNP LLP as the auditor of the Company to hold office until the close of the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the auditor's remuneration. MNP LLP has been the auditor of the Company since December 6, 2022. The full text of the resolution approving the appointment of MNP LLP as the auditor of the Company is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to this Information Circular.

**The persons named in the accompanying Proxy intend to vote FOR the appointment of MNP LLP as the auditor of the Company until the close of the next annual general meeting of shareholders or until its successor is appointed and the authorization of the Board to fix the remuneration of MNP LLP, unless the PNRL**

**Shareholder who has given such Proxy has directed that the PNRL Shares represented by such Proxy be withheld from voting in respect of the appointment of the auditor of the Company.**

### **Approval of the Name Change**

The Company intends to change its name from "Premium Nickel Resources Ltd." to "Premium Resources Ltd." (the "**Name Change**"). The Name Change is being proposed to more accurately reflect the Company's current projects and focus on a broader range of critical metals than nickel. The Company's flagship asset is the Selebi project, a nickel-copper-cobalt sulphide mine. The Company's Selkirk project is a nickel-copper-cobalt and platinum group elements sulphide mine. Management believes that the Name Change is in the best interest of Shareholders and better reflects the Company's overall business strategy, projects, mission and vision.

Shareholders are being asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution authorizing the Company to effect the Name Change through an amendment to the Company's articles by way of filing Articles of Amendment changing the Company's name from "Premium Nickel Resources Ltd." to "Premium Resources Ltd." or to any other name as determined by the Board in their absolute discretion, and is acceptable to the Exchange (the "**Name Change Resolution**"). The full text of the Name Change Resolution is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to this Information Circular.

To effect the Name Change, pursuant to Section 168 of the *Business Corporations Act* (Ontario), the Name Change Resolution must obtain the affirmative vote of not less than two-thirds (2/3) of the votes cast by Shareholders present at the Meeting in person or by proxy. In addition to the receipt of the Shareholder approval of the Name Change Resolution, the Name Change is also subject to the approval of the Exchange.

**The Board unanimously recommends that Shareholders vote FOR the Name Change Resolution. In the absence of instructions to the contrary, the persons whose names appear in the enclosed form of proxy intend to vote FOR the Name Change Resolution.**

### **Approval of the RSU Plan**

The RSU Plan was adopted by the Board on August 22, 2024. Pursuant to Exchange Policy 4.4, the RSU Plan requires the ratification by PNRL Shareholders within 12 months from the implementation of the RSU Plan. As such, PNRL Shareholders will be asked at the Meeting to consider, and if thought appropriate, to pass, with or without variation, an ordinary resolution to approve the RSU Plan with amendments (as detailed below) (the "**RSU Plan Resolution**"), the full text of which is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to this Information Circular. See "*Option Plans and Other Incentive Plans*" – "*RSU Plan*" for a summary of the RSU Plan. A copy of the RSU Plan is attached as Appendix "E" – "*RSU Plan*" to this Information Circular.

Pursuant to the policies of the Exchange, the Company is required to obtain shareholder approval of the RSU Plan in connection with the implementation thereof. If the RSU Plan Resolution is not approved by PNRL Shareholders, the RSU Plan and the Prior Grants (as defined herein) will be terminated.

In accordance with the policies of the Exchange, the RSU Plan Resolution will require Shareholder approval, being the approval of a majority of the votes cast in person or by proxy at the Meeting by PNRL Shareholders (the "**RSU Plan Approval**").

**The Board unanimously recommends that PNRL Shareholders vote FOR the RSU Plan Resolution. In the absence of instructions to the contrary, the persons whose names appear in the enclosed Proxy intend to vote FOR the RSU Plan Resolution.**

### **Approval of Prior RSU Grants**

As permitted by the Exchange Policy 4.4, the Company has granted 1,000,000 RSUs under the RSU Plan prior to the RSU Plan Approval (the "**Prior Grants**"). At the Meeting, disinterested PNRL Shareholders will be asked to approve by ordinary resolution the ratification of Prior Grants (the "**Prior Grants Resolution**"). The Prior Grants were made

to a total of seven eligible plan participants as bonus compensation to recognize their contributions over the prior twelve months to the successful completion and publication of the maiden NI 43-101 compliant mineral reserve estimate for the Selebi Mine in August 2024, and were approved by the Board on August 22, 2024. The Market Price of an RSU on such date of grant was \$0.76, and the aggregate fair value of the Prior Grants on the date of grant was \$760,000.

In accordance with the policies of the Exchange, the Prior Grants Resolution will require disinterested shareholder approval, being the approval of a majority of the votes cast in person or by proxy at the Meeting by the PNRL Shareholders, excluding PNRL Shares held, as of the Record Date, by holders of RSUs and their associates and affiliates (being, to the knowledge of the Company, 1,000,000 PNRL Shares as of the Record Date, representing approximately 0.54% of the issued and outstanding PNRL Shares as of the Record Date) (the "**Prior Grants Approval**"). If the Prior Grants Approval is not obtained, the Prior Grants will be terminated.

**The Board unanimously recommends that PNRL Shareholders vote FOR the Prior Grants Resolution. In the absence of instructions to the contrary, the persons whose names appear in the enclosed Proxy intend to vote FOR the RSU Grants Resolution.**

#### **APPROVAL**

The undersigned hereby certifies that the contents of this Information Circular and the sending of this Information Circular to PNRL Shareholders have been approved by the Board.

#### **BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Keith Morrison"*

Keith Morrison  
Chief Executive Officer and Director  
Premium Nickel Resources Ltd.

## APPENDIX "A"

### GLOSSARY

The following terms used in this Information Circular have the following meanings. This is not an exhaustive list of defined terms used in this Information Circular.

"**Affiliate**" means a company that is affiliated with another company as described below.

A company is an "**Affiliate**" of another company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person.

A company is "**controlled**" by a Person if:

- (a) Voting Securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the Voting Securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person "**beneficially owns**" securities that are beneficially owned by:

- (a) a company controlled by that Person; or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Associate**" when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, Voting Securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the Person;
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity;
- (d) in the case of a Person, who is an individual:
  - (i) that Person's spouse or child, or
  - (ii) any relative of the Person or his spouse who has the same residence as that Person;

but

- (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D. 1.00 of the Exchange rule book and policies with respect to that member firm, member corporation or holding company.

"**Audit Committee**" means the Audit and Risk Management Committee of the PNRL Board whose role is to provide oversight of PNRL's financial management.

**"Auditor Appointment Resolution"** has the meaning ascribed in the Information Circular under the heading *"Particulars of Matters to be Acted upon at the Meeting – Appointment and Remuneration of Auditor"*, the full text of which is set forth in Appendix "B" – *"Resolutions to be Approved at the Meeting – Auditor Appointment Resolution"* to this Information Circular.

**"Beneficial PNRL Shareholders"** means PNRL Shareholders who do not hold PNRL Shares in their own name.

**"Board"** means the board of directors of PNRL.

**"Broadridge"** means Broadridge Investor Communications Corporation.

**"Business Day"** means any day other than a Saturday, Sunday or a statutory holiday in Toronto, Ontario.

**"Change of Control"** has the meaning given to such term in the policies of the Exchange.

**"Change of Control Window"** has the meaning ascribed thereto in the Information Circular under the heading *"Executive Compensation – Employment, Consulting and Management Agreements"*.

**"Company"** means PNRL.

**"Compensation Committee"** means the Human Resources and Compensation Committee of the Company.

**"Consultant"** has the meaning ascribed thereto in the Option Plan and the RSU Plan, as applicable.

**"Director Election Resolution"** has the meaning ascribed thereto in the Information Circular under the heading *"Particulars of Matters to be Acted Upon at the Meeting – Election of Directors"*, the full text of which is set forth in Appendix "B" – *"Resolutions to be Approved at the Meeting – Director Election Resolution"* to this Information Circular.

**"disinterested shareholders"** means a shareholder who is not a director, officer, promoter or other Insider of the Company or its Associates or Affiliates, as such terms are defined under the *Securities Act* (Ontario).

**"DSUs"** means the deferred share units of the Company.

**"DSU Plan"** means the Company's deferred share unit plan effective December 26, 2022.

**"Effective Date"** has the meaning ascribed thereto in the Information Circular under the heading *"Executive Compensation – Option Plans and Other Incentive Plans – RSU Plan – Eligibility"*.

**"Eligible Director"** has the meaning ascribed thereto under the RSU Plan.

**"Exchange"** means the TSX Venture Exchange.

**"Exchange Policy 4.4"** means Exchange Policy 4.4 – *Incentive Stock Options*.

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

**"Governmental Entity"** means: (i) any supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing; (ii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court; and (iii) any corporation or other entity owned or controlled, through share or capital ownership or otherwise, by any of such entities or other bodies.

**"Grant Date"** has the meaning ascribed thereto in the Information Circular under the heading *"Executive Compensation - Option Plans and Other Incentive Plans – RSU Plan"*.

**"Information Circular"** means this management information circular of PNRL dated September 19, 2024.

**"Informed Person"** means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, Voting Securities of the Company or who exercises control or direction over Voting Securities of the Company, or a combination of both, carrying more than 10 percent of the voting rights attached to all outstanding Voting Securities of the Company, other than the Voting Securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

**"Insider"** if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of a company that is an insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities.

**"Intermediaries"** refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial PNRL Shareholders.

**"Law"** means any laws, including, without limitation, supranational, national, provincial, state, municipal and local civil, commercial, banking, tax, personal and real property, security, mining, environmental, water, energy, investment, property ownership, land use and zoning, sanitary, occupational health and safety laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by- laws, rules, regulations, ordinances, protocols, codes, guidelines, policies, notices, directions or other requirements of any Governmental Entity.

**"Market Price"** has the meaning ascribed thereto in the DSU Plan and the RSU Plan.

**"Meeting"** means the annual general and special meeting of the PNRL Shareholders to be held on Tuesday, October 29, 2024 at 10:00 a.m. (Toronto time) at the offices of Bennett Jones LLP located at 100 King Street West, Suite 3400, Toronto, Ontario, M5X 1A4, Canada, and any adjournment or postponement thereof.

**"Meeting Materials"** means, collectively, the Notice of Meeting, this Information Circular and, as the case may be, a VIF or Proxy.

**"Name Change"** has the meaning ascribed thereto in "Approval of the Name Change" in this Information Circular.

**"Name Change Resolution"** has the meaning ascribed thereto in the Notice of Meeting.

**"NAN"** means North American Nickel Inc., the name of the Company prior to the RTO Transaction;

"NEO" or "Named Executive Officers" means a named executive officer, which includes:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

"NI 51-102" means National Instrument 51-102 – *Continuous Disclosure Obligations*.

"NI 52-110" means National Instrument 52 -110 – *Audit Committee Disclosure (Venture Issuers)*.

"NI 54-101" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

"NI 58-101" means National Instrument 58-101 - *Corporate Governance Disclosure (Venture Issuers)*.

"NOBOs" means non-objecting beneficial owners.

"Nominees", and each a "Nominee", has the meaning ascribed thereto under section titled "*Particulars of Matters to be Acted Upon at the Meeting*" of this Information Circular.

"Notice of Meeting" means the notice of annual general and special meeting of PNRL Shareholders that accompanies this Information Circular.

"OBCA" means the *Business Corporations Act (Ontario)* and all regulations thereunder, as amended from time to time.

"OBOs" means objecting beneficial owners.

"Option Plan" means the Company's share option plan dated June 23, 2022, as amended.

"Participant" has the meaning ascribed thereto in the Information Circular under the heading "*Executive Compensation - Option Plans and Other Incentive Plans – RSU Plan*".

"Person" means an individual, partnership, association, body corporate, joint venture, business organization, trustee, executor, administrative legal representative, Governmental Entity or any other entity, whether or not having legal status.

"PNGPL" means Premium Nickel Group Proprietary Limited.

"PNRC" means Premium Nickel Resources Corporation.

"PNRIL" means Premium Nickel Resources International Ltd., one of the Company's Barbados subsidiaries.

"**PNRL**" means Premium Nickel Resources Ltd., a corporation existing under the OBCA.

"**PNRL Shareholders**" means the holders of PNRL Shares.

"**PNRL Shares**" means the common shares of PNRL.

"**PNRPL**" means Premium Nickel Resources Proprietary Limited, one of the Company's Botswana subsidiaries.

"**Prior Grants**" has the meaning ascribed thereto in the Information Circular under the heading "*Particulars of Matters to be Acted Upon at the Meeting – Approval of Prior RSU Grants*".

"**Prior Grants Approval**" has the meaning ascribed thereto in the Information Circular under the heading "*Particulars of Matters to be Acted Upon at the Meeting – Approval of Prior RSU Grants*".

"**Prior Grants Resolution**" has the meaning ascribed thereto in the Information Circular under the heading "*Particulars of Matters to be Acted Upon at the Meeting – Approval of Prior RSU Grants*", the full text of which is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting – Prior Grants Resolution*" to this Information Circular.

"**Proxy**" means the form of proxy accompanying this Information Circular.

"**Record Date**" means the close of business on September 17, 2024.

"**Registered PNRL Shareholders**" means shareholders of PNRL whose names appear on the records of PNRL as the registered holders of PNRL Shares.

"**Resolutions**" means, together, the Director Election Resolution, the Auditor Appointment Resolution, the Name Change Resolution, the RSU Plan Resolution and the Prior Grants Resolution, all as more particularly set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting*" to this Information Circular.

"**RSU Plan**" means the Company's restricted share unit plan effective August 22, 2024.

"**RSU Plan Resolution**" has the meaning ascribed thereto in the Information Circular under the heading "*Particulars of Matters to be Acted upon at the Meeting – Approval of the RSU Plan*", the full text of which is set forth in Appendix "B" – "*Resolutions to be Approved at the Meeting – RSU Plan Resolution*" to this Information Circular.

"**RSUs**" has the meaning ascribed thereto in the Information Circular under the heading "*Executive Compensation - Option Plans and Other Incentive Plans – RSU Plan*".

"**RTO Transaction**" means the triangular amalgamation involving NAN, 1000178269 Ontario Inc. (a wholly- owned subsidiary of NAN) and PNRC.

"**Securities Act**" means the *Securities Act* (Ontario) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**SEDAR+**" means the System for Electronic Analysis and Retrieval.

"**VIF**" means a voting instruction form.

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

"**VWAP**" means volume weighted average trading price.

## APPENDIX "B"

### RESOLUTIONS TO BE APPROVED AT THE MEETING

Unless noted otherwise herein, capitalized terms used in these resolutions that are not otherwise defined herein shall have the meanings ascribed to them in the management information circular of the Company dated September 19, 2024 (the "**Information Circular**").

#### **Director Election Resolution**

**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:** each of Mark Christensen, James Gowans, Jason LeBlanc, Norman MacDonald, Paul Martin, Keith Morrison, Don Newberry and William O'Reilly is hereby elected as a director of the Company to hold office from the close of the Meeting until the next annual general meeting of the PNRL Shareholders, or until his successor is duly elected or appointed.

#### **Auditor Appointment Resolution**

**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:** MNP LLP be, and hereby is, appointed as the independent auditor of the Company, to hold office until the next annual general meeting of PNRL Shareholders or until a successor is appointed, and to authorize the Board to fix the auditor's remuneration.

#### **Name Change Resolution**

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the Company be, and hereby is, authorized and empowered to change the name of the Company to "Premium Resources Ltd.", or any such other name as may be determined by the Board, subject to regulatory approval (the "**New Name**"), to become effective upon the filing of Articles of Amendment listing the Company's name as the New Name on the Articles of Amendment;
2. any one director or officer of the Company be, and hereby is, authorized and directed for and on behalf of the Company to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, the Articles of Amendment and all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing provisions of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and
3. notwithstanding that this resolution has been duly passed by the shareholders, the Board is hereby authorized and empowered, if it decides not to proceed with this resolution, to revoke this resolution, in its sole discretion, in whole or in part at any time prior to it being given effect without further notice to, or approval of, the Shareholders.

#### **RSU Plan Resolution**

**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the RSU Plan, in substantially the form attached on Appendix "E" – "*RSU Plan*" to the Information Circular, is hereby authorized and approved as the RSU plan of the Company;
2. the Company be, and hereby is, authorized and directed to issue PNRL Shares in accordance with the terms of the RSU Plan and, upon issue in accordance with the terms of the RSU Plan, any such PNRL Shares shall be fully paid and non-assessable common shares of the Company;

3. the Board be, and hereby is, authorized and empowered to make any changes to the RSU Plan as may be required by the Exchange; and
4. any one director or officer of the Company be, and hereby is, authorized and directed for and on behalf of the Company to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing provisions of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

**Prior Grants Resolution**

**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the grant of 1,000,000 RSUs pursuant to the RSU Plan on August 22, 2024 is hereby ratified and approved; and
2. any one director or officer of the Company be, and hereby is, authorized and directed for and on behalf of the Company to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing provisions of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

## APPENDIX "C"

### CORPORATE GOVERNANCE DISCLOSURE

#### FORM 58-101F2 – CORPORATE GOVERNANCE DISCLOSURE (VENTURE ISSUERS)

The board of directors of Premium Nickel Resources Ltd. (the "**Board**") believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 – *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below in accordance with Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* of NI 58-101. All capitalized terms used in this Appendix "C" – "*Corporate Governance Disclosure*" have the meanings set forth herein and, unless the context otherwise requires, should not be interpreted with reference to the "*Glossary*" in the Information Circular.

#### **Item 1: Board Of Directors**

The Board supervises the Chief Executive Officer and the Chief Financial Officer. Both the Chief Executive Officer and the Chief Financial Officer are required to act in accordance with the scope of authority provided to them by the Board. The proposed Board will consist of seven (7) directors, all of whom, except Mr. Morrison and Mr. MacDonald, are independent for the purposes of NI 58-101. For the purposes of determining independence, a director is independent if the director has no direct or indirect material relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment.

**Mark Christensen**, a director of the Company, is "independent" in that he is free from any direct or indirect material relationship with the Company.

**James Gowans**, a director of the Company and the Chair of the Board, is "independent" in that he is free from any direct or indirect material relationship with the Company.

**Jason LeBlanc**, a director of the Company, is "independent" in that he is free from any direct or indirect material relationship with the Company.

**Norman MacDonald**, a director of the Company, is a consultant to the Company and is therefore not "independent".

**Paul Martin**, a director of the Company, is "independent" in that he is free from any direct or indirect material relationship with the Company.

**Keith Morrison**, a director of the Company, is also the Chief Executive Officer of the Company and is therefore not "independent".

**Don Newberry**, a director of the Company, is "independent" in that he is free from any direct or indirect material relationship with the Company.

**William O'Reilly**, a director of the Company, is "independent" in that he is free from any direct or indirect material relationship with the Company.

## **Item 2: Directorships**

The current directors of the Company are currently directors of the following other reporting issuers:

<b>Name of proposed Director</b>	<b>Name of Reporting Issuer</b>
<b>James Gowans</b>	Trilogy Metals Inc.
	Treasury Metals Inc.
	Teck Resources Limited
<b>Norman MacDonald</b>	Osisko Gold Royalties Ltd
	Advantage Energy Ltd.
	G Mining Ventures Corp.

## **Item 3: Orientation and Continuing Education**

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business.

## **Item 4: Ethical Business Conduct**

Three quarters of the directors are independent. The fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable law on an individual director's participation in decisions of the Board in which the director has an interest, ensure that the Board operates independently of management and in the best interests of the Company. The Company is committed to the highest standards of legal and ethical business conduct, and to that end the Board has adopted a Code of Business Conduct and Ethics. The Board and Chair of the Audit Committee are responsible for overseeing compliance with such Code and the CEO is charged to ensure adherence to the Code. The Company's directors, officers, employees, consultants and agents are required to certify annually that they have read and understand such Code. A copy of such Code is available on the Company's website at [www.premiumnickel.com](http://www.premiumnickel.com).

## **Item 5: Nomination of Directors**

The Board reviews its size and composition at least annually taking into account the number and the skills and experience required to carry out the Board's duties effectively.

The Board has a Corporate Governance and Nominating Committee which assists the Board with the above-noted matter relating to the nominations. See "*Item 7: Other Board Committees*" below.

## **Item 6: Compensation**

The Compensation Committee is responsible for, among other things, evaluating the performance of the Company's executive officers, determining or making recommendations to the Board with respect to the compensation of the Company's executive officers, making recommendations to the Board with respect to director compensation, incentive compensation plans and equity-based plans, making recommendations to the Board with respect to the compensation policy for the employees of the Company and its subsidiaries and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Compensation Committee has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

The Compensation Committee is currently composed of Paul Martin (Chair), Jason LeBlanc and William O'Reilly, each of whom is an independent director within the meaning set out in NI 58-101.

Each current member of the Compensation Committee is an experienced participant in business or finance, and each has prior experience as a director of other companies, charities or business associations, in addition to the Board.

The recommendations of the Compensation Committee are based primarily on analysis which compares the Company's pay levels and compensation practices with other reporting issuers of similar size and which are active in the industry and/or market in which the Company competes for talent. This analysis provides valuable information that will allow the Company to make adjustments, if necessary, to attract and retain the best individuals to meet the Company's needs and provide value to the PNRL Shareholders.

### **Item 7: Other Board Committees**

In addition to the Audit Committee and the Compensation Committee, the Board formed the following committees with the members indicated:

<b>Committee</b>	<b>Director/Officer Members<sup>(1)</sup></b>	<b>Description of Function of Committee</b>
Disclosure Committee	Norman MacDonald, William O'Reilly, Keith Morrison, Sean Whiteford, Peter Rawlins, Timothy Moran and Jaclyn Ruptash	The Disclosure Committee assists the Company's officers and directors in fulfilling the Company's and their responsibilities regarding (i) the identification and disclosure of material information about the Company and (ii) the accuracy, completeness and timeliness of the company's financial reports.
Corporate Governance and Nominating Committee	William O'Reilly (Chair), Mark Christensen and Don Newberry	Maintain the system of rules, practices and processes by which the Company is directed and controlled. Its primary function is to assist the Board in fulfilling its oversight responsibilities by: (i) assessing the effectiveness of the Board as a whole as well as evaluating the contribution of individual members; (ii) assessing and improving the Company's governance practices; (iii) proposing new nominees for appointment to the Board; and (iv) orienting new directors.
Sustainability Committee	Don Newberry (Chair), Mark Christensen, Norman MacDonald and Paul Martin	Discussing, developing and applying specialist geotechnical knowledge related to the Company's materials and disclosure.

### **Item 8: Assessments**

The Corporate Governance and Nominating Committee is responsible for monitoring the effectiveness of the Board, its committees and individual directors.

## APPENDIX "D"

### AUDIT COMMITTEE DISCLOSURE

Pursuant to National Instrument 52-110 – *Audit Committees* ("NI 52-110"), reporting issuers are required to provide disclosure with respect to their audit committee, including the text of the audit committee charter, the composition of the audit committee and the fees paid to the external auditor. The following information regarding Premium Nickel Resources Ltd.'s (the "**Company**") Audit Committee is presented in accordance with Form 52-110F2 – *Audit Committee Disclosure (Venture Issuers)* of NI 52-110. All capitalized terms used in this Appendix "D" – "*Audit Committee Disclosure*" shall have the meanings set forth herein and, unless the context otherwise requires, should not be interpreted with reference to the "*Glossary*" to this Information Circular.

#### **Item 1: The Audit Committee Charter**

The board of directors of the Company (the "**Board of Directors**") of originally adopted an Audit Committee Charter on May 2, 2006, and adopted a revised Audit Committee Charter on August 9, 2022, a copy of which is attached on Schedule "A" to this Appendix "D" – "*Audit Committee Disclosure*". A copy of the Audit Committee Charter is also available on the Company's website at [www.premiumnickel.com](http://www.premiumnickel.com).

#### **Item 2: Composition of the Audit Committee**

##### Audit Committee

The following are the members of the Audit Committee as of the date of this Information Circular:

Name	Whether Independent <sup>(1)</sup>	Whether Financially Literate <sup>(2)</sup>
Jason LeBlanc (Chair)	Independent	Financially Literate
Paul Martin	Independent	Financially Literate
Don Newberry	Independent	Financially Literate

##### **Notes:**

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

#### **Item 3: Relevant Education and Experience**

##### Audit Committee

The relevant education and/or experience of each current member of the Audit Committee is as follows:

Mr. LeBlanc has over 20 years of financial, business and capital markets experience in the mining industry. Most recently, he was the Chief Financial Officer of Yamana Gold Inc. from 2017 to 2023, following successively senior roles with Yamana Gold Inc. since 2006 that included debt and equity raises totaling over \$2 billion and extensive M&A and other corporate transactions totaling over \$15 billion. Mr. LeBlanc holds a Master of Finance degree from the University of Toronto and a Bachelor of Commerce degree from the University of Windsor. He also holds a Chartered Financial Analyst designation.

Mr. Martin is a mining executive with over 30 years of experience at the CEO, CFO and director levels, in challenging and changing corporate environments. He has gained significant experience through his various roles at multi-operational mining, royalty and exploration companies listed on the Toronto Stock Exchange, TSX Venture Exchange and New York Stock Exchange. He currently serves as the Chair of the Board of Red Pine Exploration and as a director

of Osisko Bermuda Limited. Mr. Martin was interim CEO at Osisko Gold Royalties Ltd from July to December 2023 and at Red Pine Exploration from March to August 2024, in each case during CEO transition periods. He was previously President and CEO at Detour Gold Corporation from 2013 to 2018 and, prior to that, CFO at Detour from 2008 until 2013. He played a significant role on the senior executive team that permitted, completed a bankable feasibility study, financed, constructed and brought into operation the large-scale Detour Lake gold mine. Mr. Martin has worked in various senior financial roles at New Gold Inc., Gabriel Resources Ltd. and TVX Gold Inc. He has significant experience in governance matters related to publicly listed companies and holds the designation of CPA, CA.

Mr. Newberry has over 20 years of experience in a variety of senior financial and project management leadership roles and he is currently the Chief Financial Officer at Ohio Truck Sales. Don has spent most of his career working internationally in the Mining industry for Diavik Diamond Mines, Cleveland Cliffs, and Nyrstar. He is experienced in overseeing large mining projects from studies through to execution, risk management, M&A, integration, and implementing financial controls and oversight of company's assets. Mr. Newberry completed his bachelor of Commerce (Accounting) at Ottawa University, Master of Business Administration (MBA) in Global Management at University of Phoenix, and he also completed the Program for Leadership Development (PLD) at Harvard Business School. He is a Chartered Professional Accountant / Certified Management Accountant (CPA, CMA).

All members have an understanding of the accounting principles used by the Company to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

#### **Item 4: Audit Committee Oversight**

At no time since the commencement of the Company's financial year ended December 31, 2023 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

#### **Item 5: Reliance on Certain Exemptions**

At no time since the commencement of the Company's financial year ended December 31, 2023 has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

#### **Item 6: Pre-Approval Policies and Procedures**

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman of the Audit Committee will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Audit Committee's consideration and, if thought fit, approval in writing.

#### **Item 7: External Auditor Service Fees (By Category)**

The following table sets out the aggregate fees charged to the Company by the external auditor in each of the last two financial years for the category of fees described.

	FYE 2023	FYE 2022
<b>Audit Fees<sup>(1)</sup></b>	261,480	\$45,549
<b>Audit-Related Fees<sup>(2)</sup></b>	Nil	\$29,000
<b>Tax Fees<sup>(3)</sup></b>	41,866	\$5,300
<b>All Other Fees<sup>(4)</sup></b>	Nil	Nil
<b>Total Fees:</b>	<b>\$303,346</b>	<b>\$79,849</b>

**Notes:**

- (1) "**Audit fees**" include aggregate fees billed by the Company's external auditor in each of the last two Fiscal Years for audit fees.
- (2) "**Audited related fees**" include the aggregate fees billed in each of the last two Fiscal Years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "**Tax fees**" include the aggregate fees billed in each of the last two Fiscal Years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (3) "**All other fees**" include the aggregate fees billed in each of the last two Fiscal Years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

**Item 8: Exemption**

During the most recently completed financial year, the Company relied on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 5 (*Reporting Obligations*).

**Schedule "A" to  
Audit Committee Charter**

**PREMIUM NICKEL RESOURCES LTD. ("PNRL" OR THE "COMPANY")  
CHARTER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE**

**I. Purpose**

The Audit and Risk Management Committee of PNRL is a committee of directors (the "Audit Committee") appointed by the Board of Directors of PNRL (the "Board"). The Audit Committee's mandate is to provide assistance to the Board in fulfilling its financial reporting and control responsibility to the shareholders and the investment community. The Audit Committee is, however, independent of the Board and the Company and in carrying out their role shall have the ability to determine its own agenda and any additional activities that the Audit Committee shall carry out.

**II. Composition**

The Audit Committee will be comprised of at least three directors of the Company, all of whom, will be independent and financially literate. An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director's independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of MI 52-110. A "financially literate" director is a director who has the ability to read and understand a set of financial instruments that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the financial statements of the Corporation.

**III. Responsibilities**

Responsibilities of the Audit Committee generally include, but are not limited to, the undertaking of the following tasks:

- Selecting and determining the compensation of the external auditors, subject to approval of the shareholders of the Corporation, to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation. In making such determination and recommendation to the Board and to the shareholders, the Audit Committee will:
  - confirm the independence of the auditors and report to the Board its conclusions on the independence of the auditors and the basis for these conclusions;
  - meet with the auditors and financial management to review the scope of the proposed audit for the current year, and the audit procedures to be used; and
  - obtain from the external auditors' confirmation that they are participants in good standing in the Canadian Public Accountability Board oversight program and, if applicable, in compliance with the provisions of the Sarbanes-Oxley Act of 2002 (U.S.) and other legal or regulatory requirements with respect to the audit of the financial statements of the Company.
- Overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. In overseeing such work, the Audit Committee will:

- review with the external auditors any audit problems or difficulties and management's response;
- at least annually obtain and review a report prepared by the external auditors describing (i) the auditors' internal quality-control procedures; and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, and reviewing any steps taken to deal with such issues;
- serve as an independent and objective party to monitor the Company's financial reporting process and internal control system and overseeing management's reporting on internal control;
- provide open lines of communication among the external auditors, financial and senior management, and the Board for financial reporting and control matters;
- make inquiries of management and the external auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risks to the Company;
- establish procedures to ensure that the Audit Committee meets with the external auditors on a regular basis in the absence of management;
- ensure that the external auditors prepare and deliver annually a detailed report covering (i) critical accounting policies and practices to be used; (ii) material alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors; (iii) other material written communications between the external auditors and management such as any management letter or schedule of unadjusted differences; and (iv) such other aspects as may be required by the Audit Committee or legal or regulatory requirements;
- consider any reports or communications (and management's responses thereto) submitted to the Audit Committee by the external auditors, including reports and communications related to:
  - deficiencies noted following the audit of the design and operation of internal controls;
  - consideration of fraud in the audit of the financial statement;
  - detection of illegal acts;
  - the external auditors' responsibility under generally accepted auditing standards;
  - significant accounting policies;
  - management judgements and accounting estimates;
  - adjustments arising from the audit;
  - the responsibility of the external auditors for other information in documents containing audited financial statements;
  - disagreements with management;
  - consultation by management with other accountants;

- major issues discussed with management prior to retention of the external auditors;
  - difficulties encountered with management in performing the audit;
  - the external auditors' judgements about the quality of the entity's accounting principles; and
  - any reviews of unaudited interim financial information conducted by the external auditors;
  - review the form of opinion the external auditors propose to render to the Audit Committee, the Board and shareholders; and
  - discuss significant changes to the Company's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the external auditors or management, and the financial impact thereof.
- Pre-approving all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor, subject to any exemptions set out in MI 52-110. Notwithstanding the pre-approval process, the Audit Committee will ensure that the external auditors are prohibited from providing the following non-audit services and will determine which other non-audit services the external auditors are prohibited from providing:
    - bookkeeping or other services related to the accounting records or financial statements of the Company;
    - financial information systems design and implementation;
    - appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
    - actuarial services;
    - internal audit outsourcing services;
    - management functions or human resources;
    - broker, dealer, investment adviser or investment banking services;
    - legal services; and
    - any other service that the Audit Committee determines to be impermissible.
- Ensuring that the external auditors submit annually to the Company and the Audit Committee, a formal written statement of the fees billed for each of the following categories of services rendered by the external auditors: (i) the audit of the Company's annual financial statements for the most recent fiscal year and, if applicable, the reviews of the financial statements included in the Company's Quarterly Reports for that fiscal year; and (ii) all other services rendered by the external auditors for the most recent fiscal year, in the aggregate and by each service.
- Reviewing the Company's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases before the Company publicly discloses the information. In connection with such review, the Audit Committee will ensure that:
    - (a) management has reviewed the financial statements with the Audit Committee, including significant judgments affecting the financial statements;

- (b) the members of the Audit Committee have discussed among themselves, without management or the external auditors present, the information disclosed to the Audit Committee; and
  - (c) the Audit Committee has received the assurance of both financial management and the external auditors that the Company's financial statements are fairly presented in conformity with International Financial Reporting Standards ("IFRS") and Canadian GAAP in all material respects.
- Ensuring that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to above, and periodically assessing the adequacy of those procedures.
  - Reviewing, evaluating and monitoring any risk management program implemented by the Company, including any revenue protection program. This function should include:
    - risk assessment;
    - quantification of exposure;
    - risk mitigation measures; and
    - risk reporting.
  - Periodically access and review the effectiveness of the Company's procedures for the identification, assessment, reporting and management of risks including the areas of crisis management, capital expenditure, taxation strategy, funding, commodity and foreign exchange and interest rate exposure, insurance coverage, fraud and information systems technology.
  - Reviewing the adequacy of the resources of the finance and accounting group, along with its development and succession plans.
  - Establishing procedures for:
    - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
    - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
  - Reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.
  - Annually reviewing and revising this Charter as necessary with the approval of the Board and the text relating to this Charter, which is required to appear in the Annual Information Form of the Company, as more specifically set out in Form 52-110FI *Audit Committee Information Required in an AIF*.
  - Reviewing and assessing the adequacy of the Code of Business Conduct and Ethics governing the officers, directors and employees of the Corporation and the Code of Ethics governing Financial Reporting Officers at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board.
  - Reporting its activities to the Board on a regular basis and making such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate.

- Reviewing and discussing with management, and approving all related party transactions.

#### **IV. Authority**

The Audit Committee has the authority to:

- Engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
- Set and pay the compensation for any advisors employed by the Audit Committee, in accordance with applicable corporate statutes; and
- Communicate directly with the external auditors.

#### **V. Administrative Procedures**

- The Audit Committee will meet regularly and whenever necessary to perform the duties described above in a timely manner, but not less than four times a year. Meetings may be held at any time deemed appropriate by the Audit Committee and by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.
- A quorum for the transaction of business at any meeting of the Audit Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
- Meetings of the Audit Committee shall be held from time to time as the Audit Committee or the Chairman shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Audit Committee.
- At the discretion of the Audit Committee, meetings may be held with representatives of the external auditors and appropriate members of management.
- The external auditors will have direct access to the Audit Committee at their own initiative.
- The Chairman of the Audit Committee will report periodically to the Board.

Approved by the Board of Directors of PNRL on August 9, 2022.

**APPENDIX "E"**

**RSU PLAN**

See attached.



**PREMIUM NICKEL RESOURCES LTD.**

**RESTRICTED SHARE UNIT PLAN**

**EFFECTIVE AS OF AUGUST 23, 2024**

## PREMIUM NICKEL RESOURCES LTD. – RESTRICTED SHARE UNIT PLAN

### ARTICLE 1 PREAMBLE AND DEFINITIONS

#### 1.1 Title

The Plan herein described shall be called the "Premium Nickel Resources Ltd. Restricted Share Unit Plan", and is referred to herein as the "Plan".

#### 1.2 Purpose of the Plan

The purpose of the Plan is to provide long-term incentive compensation to Participants, providing additional incentive for their continued efforts in promoting the growth and success of the business of the Corporation, and assisting the Corporation and its Subsidiaries in attracting and retaining senior management personnel and other employees.

#### 1.3 Definitions

In the Plan, the following terms have the following meanings, respectively:

"**Account**" has the meaning assigned thereto in Section 8.1;

"**Administrator**" means such administrator as may be appointed by the Corporation from time to time to assist in the administration of the Plan in accordance with Section 2.1;

"**Affiliate**" means any body corporate which is an "affiliate" within the meaning of the *Canada Business Corporations Act*;

"**Applicable Law**" means any applicable provision of law, domestic or foreign, including, without limitation, the Tax Act, the *Canada Business Corporations Act* and the *Internal Revenue Code of 1986*, and the regulations promulgated thereunder, as they may each be amended from time to time;

"**Blackout Period**" means the period during which Participants cannot trade securities of the Corporation pursuant to the Corporation's insider trading policy in effect at an applicable time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation or, in respect of an Insider of the Corporation, that Insider, is subject);

"**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;

"**Board**" means the board of directors of the Corporation or, if established and duly authorized to act, the executive committee of the board of directors of the Corporation;

"**Business Day**" means any day, other than a Saturday, a Sunday, or a statutory holiday, on which the TSXV is open for trading;

"**Canadian Participant**" means a Participant who is a resident of Canada and/or who is granted a Restricted Share Unit in respect of, or by virtue of, employment services rendered in Canada, provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Taxpayer;

"**Change of Control**" means the occurrence of any one or more the following events:

- (i) if on any day following adoption of the Plan by the Board more than 50 percent of the directors of the Corporation then in office were not directors of the Corporation on the same day in the immediately preceding calendar year; provided that any director of the

Corporation whose appointment or election is endorsed by a majority of the members of the Corporation's board of directors before the date of the appointment or election shall be treated as if he or she was a director of the Corporation on the same day in the immediately preceding calendar year; or

- (ii) if any person, or any two or more persons acting in concert, acquires or has acquired during a 12-month period ending on the date of the most recent acquisition by such person or persons either directly or indirectly, such number of the issued securities of the Corporation as would entitle such person or persons to vote or direct the voting of more than 30 percent of the permissible votes attaching to the Common Shares; or
- (iii) if any person, or any two or more persons acting in concert, acquires or has acquired, either directly or indirectly, such number of the issued securities of the Corporation as would entitle such person or persons to vote or direct the voting of more than 50 percent of the permissible votes attaching to the Common Shares; or
- (iv) The sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Corporation and/or any of its Affiliates which have a total gross fair market value greater than two-thirds of the total gross fair market value of the assets, rights and properties of the Corporation and its Affiliates on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Affiliate in the course of a reorganization of the assets of the Corporation and its Affiliates; or
- (v) if the board of directors of the Corporation by resolution determines that for the purposes of the Plan a change in control of the Corporation has occurred or is about to occur;

**"Common Share"** means a common share of the Corporation;

**"Consultant"** has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSXV;

**"Corporation"** means Premium Nickel Resources Ltd., and any successor corporation;

**"Director"** means any director of the Corporation or any of its Subsidiaries;

**"Eligible Person"** means any Director, Officer, Employee, Consultant or Management Company Employee, other than any Investor Relations Service Providers;

**"Employee"** has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSXV;

**"Expiry Date"** means, with respect to a Restricted Share Unit granted to a Participant, the date determined by the Board as the date on which such Restricted Share Unit will be terminated and cancelled in accordance with the Plan; provided that the Expiry Date for any Restricted Share Unit shall not extend past the Outside Expiry Date;

**"Grant Agreement"** means an agreement between the Corporation and a Participant evidencing the grant of Restricted Share Units to such Participant;

**"Grant Date"** of a Restricted Share Unit means the date on which such Restricted Share Unit is granted to a Participant, as approved by the Board;

**"Insider"** has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the TSXV;

**"Investor Relations Service Provider"** has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSXV;

**"Employee"** has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSXV;

**"Management Company Employee"** has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Corporate Finance Manual of the TSXV;

**"Market Price"** at any date in respect of a Common Share means the volume weighted average price of a Common Share on the TSXV for the last five Trading Days immediately preceding such date (or, if the Common Shares are not then listed and posted for trading on the TSXV, on such other stock exchange on which the Common Shares are then listed and posted for trading as may be selected for such purpose by the Board). Volume weighted average price shall be determined by dividing the total value of all Common Shares sold by the total number of Common Shares sold, in each case, for the applicable five Trading Days on the TSXV (or such other applicable stock exchange). In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Common Shares as determined by the Board in its sole discretion, acting in good faith and taking into account, if considered advisable by the Board, the advice from the Human Resources and Compensation Committee of the Board (or such other similar committee of the Board as may be constituted from time to time) and the advice of a qualified financial advisor selected by the Board and, "fair market value" means the highest price, expressed in dollars, that a Common Share would bring in an open and unrestricted market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other;

**"normal retirement age"** for any *bona fide* full-time employee of the Corporation or any Subsidiary means age 65;

**"Officer"** means any officer of the Corporation or any of its Subsidiaries;

**"Outside Expiry Date"** means December 15<sup>th</sup> of the third calendar year following the year the RSU Service Year;

**"Participant"** means an Eligible Person to whom a Restricted Share Unit has been granted pursuant to the Plan;

**"Plan"** means the "Premium Nickel Resources Ltd. Restricted Share Unit Plan" set forth herein, as the same may be amended or restated from time to time;

**"Restricted Share Unit"** means a unit credited by means of a bookkeeping entry to a Participant's Account in accordance with the terms and conditions of the Plan;

**"Restricted Share Unit Amount"** has the meaning assigned thereto in Section 5.1;

**"RSU Service Year"** has the meaning assigned thereto in Section 3.2;

**"Security-Based Compensation Arrangements"** means, together, the Plan and the stock option plan of the Corporation, and any other equity-based compensation plan in effect from time to time;

**"Settlement Date"** has the meaning assigned thereto in Section 5.1;

**"Subsidiary"** means a body corporate of the Corporation that is a subsidiary as such term is defined in the *Canada Business Corporations Act*, as amended from time to time;

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

"**Trading Day**" means any date on which the TSXV is open for the trading of the Common Shares;

"**TSXV**" means the TSX Venture Exchange;

"**TSXV Rules**" means the rules and policies of the TSXV, including the Corporate Finance Manual;

"**U.S. Taxpayer**" means any Participant who is a U.S. citizen, U.S. permanent resident, or other person who has been granted a Restricted Share Unit under the Plan that is otherwise subject to U.S. federal income tax on a net basis;

"**Vested Unit**" means a Restricted Share Unit that has vested in accordance with the terms and conditions of the Plan; and

"**Vesting Date**" means the date on which a Restricted Share Unit vests in accordance with the terms and conditions of the Plan.

#### **1.4            Action on Non-Business Day**

Whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Business Day, including the occurrence of the Expiry Date, such payment shall be made, action shall be taken or period shall expire on the next following Business Day.

#### **1.5            Schedules**

The following Schedules are attached to and form an integral part of the Plan:

- Schedule "A"            -    Plan Provisions Applicable to Participants Who Are U.S. Taxpayers
- Schedule "B"            -    Form of Grant Agreement

### **ARTICLE 2** **ADMINISTRATION OF THE PLAN**

**2.1**            Except as herein otherwise specifically provided, the Plan shall be administered by the Board in accordance with its terms, the whole subject to Applicable Law. The Board has full and complete authority to interpret the Plan, to prescribe such rules and regulations and to make such other determinations as it deems necessary or desirable for the administration of the Plan. The Board may from time to time, subject to the terms of the Plan, delegate to a committee of the Board, officers or employees of the Corporation or third parties, including an administrator, if any, appointed by the Board, the whole or any part of the administration of the Plan and shall determine the scope and terms and conditions of such delegation, including the authority to prescribe rules and regulations. Any interpretation, rule, regulation or determination made by, or other act of, the Board shall be final and binding on the Participants, their beneficiaries and legal representatives and on the Corporation and its shareholders.

**2.2**            No member of the Board, no officer of the Corporation and no Administrator shall be liable for any action or determination made in good faith in relation to the Plan. To the full extent permitted by law, the Corporation shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding by reason of the fact that such person is or was a member of the Board, an officer of the Corporation or an Administrator and, as such, is or was required or entitled to take action pursuant to the terms of the Plan.

**2.3**            Except as Participants may otherwise be advised on not less than thirty (30) days prior written notice by the Corporation, all costs of the Plan, including any administration fees, shall be paid by the Corporation.

**ARTICLE 3**  
**GRANT OF RESTRICTED SHARE UNITS**

**3.1** Subject to the express provisions of the Plan and the TSXV Rules, the Board shall have the authority, in its sole discretion, to determine the Eligible Persons to whom Restricted Share Units may be granted at any time and from time to time, and the Board may determine the number of Restricted Share Units to be granted to any Participant on any date. Restricted Share Units may be granted on any date other than December 5 to December 31, inclusive, in any year. For greater certainty, the Board shall not deem any person to be an Eligible Person if such person is not permitted to be granted Restricted Share Units pursuant to TSXV Rules.

**3.2** A Restricted Share Unit is an award in the nature of a bonus for services rendered in the year of grant or a prior year. The Board shall designate, at the time of grant of any Restricted Share Units, the relevant year in which the services were rendered (the "**RSU Service Year**") for which the Restricted Share Units are granted and, if no such year is designated, the RSU Service Year shall be: (a) the calendar year containing the Grant Date for all Restricted Share Units granted after May of a particular calendar year, and (b) the calendar year immediately preceding the calendar year containing the Grant Date for all Restricted Share Units granted prior to May of a particular calendar year. The Board may designate, at the time of grant of any Restricted Share Unit, an Expiry Date for such Restricted Share Unit. Unless an alternate Expiry Date is so designated by the Board at the time of grant of any Restricted Share Unit, the Expiry Date for any Restricted Share Unit shall be December 15<sup>th</sup> of the third calendar year following the RSU Service Year. The grant of any Restricted Share Unit shall be effective as of the Grant Date, and, unless previously settled, the Restricted Share Units shall terminate and be cancelled on the Expiry Date. For greater certainty, no Expiry Date for Restricted Share Units granted to a Canadian Participant will extend beyond December 31 of the third calendar year following the RSU Service Year.

**3.3** The Board may designate, at the time of grant of any Restricted Share Unit, the date or dates on which such Restricted Share Unit shall vest, subject to any terms or conditions determined under Section 3.5. Restrictions and conditions on vesting conditions may, without limitation, be based on the passage of time during continued employment. Unless an alternate Vesting Date or vesting conditions are so designated by the Board, and subject to Section 3.8, Article 6 and Article 7, the Restricted Share Units granted to a Participant on any particular Grant Date shall vest (a) as to one-third of such Restricted Share Units on the first anniversary of the Grant Date, (b) as to one-third of such Restricted Share Units on the second anniversary of the Grant Date, and (c) as to the remaining one-third of such Restricted Share Units on the earlier of the third anniversary of the Grant Date and the Business Day immediately preceding the Expiry Date for such Restricted Share Units. The Board may, in its discretion, subsequent to the Grant Date, but prior to the respective Vesting Dates determined at the time of grant, designate an earlier date for vesting of all or any portion of the Restricted Share Units then outstanding and granted to a Participant under the Plan.

**3.4** Notwithstanding any other provision of the Plan, if the Settlement Date of any Restricted Share Units would otherwise fall within a Blackout Period, the Settlement Date of such Restricted Share Units will be deemed to be the date that is the earlier of: (a) ten Business Days after the Blackout Period Expiry Date (which ten Business Day period may not be further extended by the Board); and (b) the Outside Expiry Date in respect of such Restricted Share Units, provided that, in no event, will the settlement of any Restricted Share Units of a Participant who is a U.S. Taxpayer be delayed beyond the latest date that would not cause such Participant to incur an additional tax under Section 409A(a)(1)(B) of the Code (as defined on Schedule "A").

**3.5** Subject to the terms and conditions of the Plan, the Board may determine the terms and conditions of any Restricted Share Units in addition to those set forth herein, including any additional conditions with respect to the vesting of Restricted Share Units that do not conflict with the Plan. The Board may, in its discretion, subsequent to the Grant Date, waive any such term or condition or determine that it has been satisfied.

**3.6** Each grant of a Restricted Share Unit shall be evidenced by a Grant Agreement that shall be subject to the terms and conditions of the Plan and that shall include any terms and conditions of the Restricted Share Units determined by the Board as contemplated in Section 3.5. Such Grant Agreement may follow the form attached as Schedule "B" or may reflect additional or different terms. By entering into a Grant Agreement, each Participant shall be deemed conclusively to have accepted and consented to all terms of the Plan and all *bona fide* actions or decisions

made by the Board in relation to the Plan. Such terms and consent shall also apply to and be binding on the beneficiaries, legal representatives and successors of each Participant.

**3.7** The aggregate number of Common Shares reserved for issuance from treasury under the Plan shall not exceed 5,000,000 Common Shares; provided, however, the number of Common Shares reserved for issuance from the treasury under the Plan and all other Security-Based Compensation Arrangements of the Corporation and its Subsidiaries shall, in the aggregate, not exceed 20% of the number of Common Shares then issued and outstanding. Any Common Shares subject to a Restricted Share Unit which has been (a) settled in cash, or (b) cancelled or terminated in accordance with the terms of the Plan without settlement, will again be available under the Plan.

**3.8** A Restricted Share Unit is an award in the nature of a bonus for services rendered in the RSU Service Year, which, upon settlement, entitles the recipient Participant to receive, at the sole discretion of the Corporation, for each Vested Unit (a) a cash amount equal to the Market Price on the Vesting Date, or (b) one Common Share. It is intended that, in respect of Restricted Share Units granted to Canadian Participants, neither the Plan nor any Restricted Share Units granted under the Plan will constitute a "salary deferral arrangement" as defined in subsection 248(1) of the Tax Act, by reason of the exemption in paragraph (k) thereof. All Restricted Share Units granted under the Plan shall be in addition to, and not in substitution for, or *in lieu* of, ordinary salary and wages received or receivable by any Canadian Participant in respect of their services to the Corporation or a Subsidiary, as applicable.

**3.9** Unless otherwise provided in the applicable Grant Agreement, it is intended that Restricted Share Units awarded to U.S. Taxpayers will be compliant with or exempt from Section 409A (as defined on Schedule "A").

**3.10** The grant of Restricted Share Units under the Plan is subject to a number of restrictions, including the following:

- a. the aggregate number of Common Shares issuable to Insiders (as a group) under the Plan and all other Security-Based Compensation Arrangements of the Corporation and its Subsidiaries shall not, in the aggregate, exceed 10% of the issued and outstanding Common Shares, calculated on a non-diluted basis as at the date any Restricted Share Unit is granted or issued (unless the Corporation has obtained the requisite disinterested approval of its shareholders pursuant to TSXV Rules);
- b. within any 12-month period, the Corporation shall not issue Insiders (as a group) under the Plan and all other Security-Based Compensation Arrangements of the Corporation and its Subsidiaries, in the aggregate, a number of Common Shares exceeding 10% of the issued and outstanding Common Shares, calculated on a non-diluted basis as at the date any Restricted Share Unit is granted or issued (unless the Corporation has obtained the requisite disinterested approval of its shareholders pursuant to the TSXV Rules);
- c. within any 12-month period, the Corporation shall not issue to any one Consultants under the Plan and all other Security-Based Compensation Arrangements of the Corporation and its Subsidiaries, in the aggregate, a number of Common Shares exceeding 2% of the issued and outstanding Common Shares, calculated on a non-diluted basis as at the date any Restricted Share Unit is granted or issued; and
- d. within any 12-month period, the Corporation shall not issue to any one Person (and companies wholly-owned by that Person) under the Plan and all other Security-Based Compensation Arrangements of the Corporation and its Subsidiaries, in the aggregate, a number of Common Shares exceeding 5% of the issued and outstanding Common Shares, calculated on a non-diluted basis.

#### **ARTICLE 4** **DIVIDENDS AND RELATED AMOUNTS**

**4.1** A Participant shall, from time to time during the period which the Participant's Account has been credited with Restricted Share Units, be credited on each dividend (excluding stock dividends payable in Common Shares, but including dividends which may be paid in cash or in shares at the option of the shareholder) payment date in respect of Common Shares with additional Restricted Share Units (including where applicable, fractions thereof),

the number of which shall be equal to the quotient (determined to three decimal places) obtained by dividing: (a) the product obtained by multiplying (i) a dollar amount equal to such dividend declared and paid by the Corporation on the Common Shares on a per share basis, by (ii) the number of Restricted Share Units recorded in the Participant's Account on the record date for the payment of any such dividend; by (b) the Market Price of Common Shares on such dividend payment date.

**4.2** Where the Vesting Date for Restricted Share Units occurs on or following the record date for any dividend (excluding stock dividends payable in Common Shares, but including dividends which may be paid in cash or in shares at the option of the shareholder) declared on the Common Shares but prior to the payment date therefor, a Participant shall be credited with additional Restricted Share Units on the Vesting Date in respect of such dividend, the number of which shall be equal to the quotient (determined to three decimal places) obtained by dividing: (a) the product obtained by multiplying (i) a dollar amount equal to such dividend on a per share basis, by (ii) the number of Restricted Share Units recorded in the Participant's Account on the Business Day immediately preceding the Vesting Date; by (b) the Market Price of the Common Shares on such Vesting Date.

**4.3** Any additional Restricted Share Units credited to a Participant's Account pursuant to Section 4.1 and Section 4.2 shall have the same Vesting Dates and Expiry Dates as the Restricted Share Units in respect of which such additional Restricted Share Units are credited.

**4.4** For the avoidance of doubt, stock dividends payable in Common Shares shall be construed in accordance with Article 12.

## **ARTICLE 5**

### **PAYMENT OF BENEFITS**

**5.1** A Participant shall be entitled to receive, and the Corporation shall pay to the Participant, on (a) the earlier of 25 days following the Vesting Date and the Expiry Date, or (b) such other date as may be agreed by the Corporation and the Participant (or, where the Participant has died, the legal representative of his or her estate) prior to the Expiry Date (the "**Settlement Date**"), for each Vested Unit (subject to adjustment in accordance with Section 4.2), at the sole discretion of the Corporation: (i) cash in an amount (the "**Restricted Share Unit Amount**") equal to the Market Price on the Vesting Date; or (ii) one Common Share. Notwithstanding Section 5.1 (b) above, a U.S. Taxpayer may not agree or elect to defer settlement hereunder unless such agreement or election is made at a time permitted by, and otherwise complies with the requirements of, Section 409A.

**5.2** On the Settlement Date, the Vested Units will be redeemed as follows:

- a. where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's Vested Units in Common Shares issued from treasury:
  - i. in the case of Common Shares issued in certificated form, by delivery to the Participant (or to the legal representative of the Participant, if applicable) of a certificate in the name of the Participant (or, where the Participant has died, as may be directed by the legal representative of his or her estate) representing the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax, or
  - ii. in the case of Common Shares issued in uncertificated form, by the issuance to the Participant (or, where the Participant has died, as may be directed by the legal representative of his or her estate) of the aggregate number of Common Shares that the Participant is entitled to receive, subject to satisfaction of any applicable withholding tax, which Common Shares shall be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Common Shares;

- b. where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's Vested Units in cash, a cash payment shall be made by the Corporation (or applicable Subsidiary) to the Participant (or, where the Participant has died, as may be directed by the legal representative of his or her estate) by cheque, or such other payment method as the Corporation and the Participant may agree, subject to satisfaction of any applicable withholding tax; and
- c. where the Corporation (or applicable Subsidiary) has elected to settle a portion, but not all, of the Participant's Vested Units in Common Shares, the Participant shall be deemed to have instructed the Corporation (or applicable Subsidiary), to withhold from the cash portion of the payment to which the Participant is otherwise entitled such amount as may be required and to remit such withheld amount to the applicable taxation authorities on account of any withholding tax obligations, and the Corporation or Subsidiary, as applicable, shall deliver any remaining cash payable, after making any such remittance, to the Participant (or, where the Participant has died, as may be directed by the legal representative of his or her estate) as soon as reasonably practicable. If the cash portion payable to settle a Participant's Vested Units in the foregoing circumstances is not sufficient to satisfy the withholding obligations of the Corporation (or applicable Subsidiary), the Corporation (or applicable Subsidiary) shall be entitled to satisfy any remaining withholding obligation by any other mechanism as may be required or determined by the Corporation (or applicable Subsidiary) as appropriate.

For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Common Shares in respect of any Vested Units and, notwithstanding any discretion exercised by the Corporation (or applicable Subsidiary) to settle any Vested Units, or portion thereof, in the form of Common Shares, the Corporation (and each Subsidiary) reserves the right to change such form of payment at any time until payment is actually made.

**5.3** Unless otherwise determined by the Board, where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's Vested Units in cash, the Restricted Share Unit Amount shall be paid to a Participant who is not a U.S. Taxpayer and employed by a U.S. Subsidiary (or, in a case where such Participant has died, his or her beneficiary or estate), less appropriate taxes and other required withholdings, if any, in Canadian Dollars.

**5.4** Unless otherwise determined by the Board, where the Corporation (or applicable Subsidiary) has elected to settle all or a portion of the Participant's Vested Units in cash, the Restricted Share Unit Amount shall be paid to a Participant who is a U.S. Taxpayer and employed by a U.S. Subsidiary (or, in a case where such Participant has died, his or her beneficiary or estate), less appropriate taxes and other required withholdings, if any, in U.S. Dollars and the exchange rate from Canadian Dollars to US Dollars shall be that quoted by the Bank of Canada as of the applicable Vesting Date.

## **ARTICLE 6**

### **TERMINATION AND FORFEITURE**

**6.1** Unless otherwise determined by the Board in its sole discretion or otherwise provided in the applicable Grant Agreement of Article 7, if a Participant ceases to be an Eligible Person, any Restricted Share Units standing to the Account of such Participant that are not Vested Units on such cessation date shall terminate and be forfeited on such cessation date.

**6.2** No Common Shares, cash payment or other compensation shall be payable in respect of any Restricted Share Units that have been terminated and forfeited under the Plan.

## **ARTICLE 7**

### **DEATH OR RETIREMENT OF PARTICIPANT**

**7.1** Unless otherwise provided in the applicable Grant Agreement, the vesting of Restricted Shares Units will accelerate under the circumstances described in this Article 7.

**7.2** If, by reason of death of a Participant, such Participant ceases to be an Eligible Person prior to the Vesting Date of any Restricted Share Units standing to the Account of such Participant, such Restricted Share Units shall vest on the date of death of such Participant and the Participant's designated beneficiary or estate will be entitled to receive payment in respect of all Vested Units of such Participant pursuant to the provisions of Article 5 hereof as if the Vesting Date thereof were the date of death of such Participant.

**7.3** If, by reason of the retirement of a Participant at or after normal retirement age of the Participant, the Participant ceases to be an Eligible Person prior to the Vesting Date of any Restricted Share Units standing to the Account of such Participant, such Restricted Share Units shall vest on the date of retirement of the Participant, and the Participant will be entitled to receive payment in respect of all Vested Units of such Participant pursuant to the provisions of Article 5 hereof as if the Vesting Date thereof were the date of retirement of such Participant. The foregoing notwithstanding, unless otherwise provided in the applicable Grant Agreement, this Section 7.3 will not apply to Restricted Shares Units granted to a U.S. Taxpayer.

**7.4** Notwithstanding the Vesting Date of a Restricted Share Unit otherwise determined in accordance with the Plan, all of the Restricted Share Units in a Participant's Account shall vest on the date of a Change of Control of the Corporation and shall not terminate or be forfeited. In such event, the Participant shall be entitled to receive payment in respect of all Vested Units of such Participant pursuant to the provisions of Article 5 hereof as if the Vesting Date thereof were the date of, or immediately prior to, such Change of Control (as determined by the Board).

**7.5** Notwithstanding any other provision of this Plan, Restricted Share Units awarded to a Participant must expire within a reasonable period, not exceeding 12 months, following the date that Participant ceases to be an eligible Participant under the Plan. In the event of the death of a Participant, the period during which the Participant's estate or administrators are entitled to make a claim under Section 7.2 must not exceed one year from the Participant's death.

## **ARTICLE 8**

### **RESTRICTED SHARE UNIT ACCOUNT**

**8.1** The Corporation shall maintain or cause to be maintained in its records, for bookkeeping purposes only, an account (an "**Account**") for each Participant recording at all times the number of Restricted Share Units credited to the Participant. Upon payment in satisfaction of any Restricted Share Units pursuant to Article 5, such Restricted Share Units shall be cancelled. Upon a Participant's request, the Corporation or an Administrator on behalf of the Corporation shall deliver to such Participant an annual written notification of the balance in the Account maintained for such Participant specifying the number of Restricted Share Units which are Vested Units and the number which are not, and the respective Expiry Dates for the Restricted Share Units reflected in the Account. A Participant shall not be entitled to any certificate or other document evidencing the Restricted Share Units. None of the Participants' Accounts established hereunder hold any actual funds or assets.

## **ARTICLE 9**

### **RIGHTS OF PARTICIPANTS**

**9.1** Except as specifically herein provided, no Participant or other person has any claim or right to any cash amount to be delivered in settlement of Restricted Share Units credited pursuant to the Plan.

**9.2** No person shall have any entitlement to any Restricted Share Unit, unless and until such Restricted Share Unit has been granted in accordance with the Plan. The grant of any Restricted Share Unit to a Participant shall not entitle such Participant to any additional grant of Restricted Share Units under the Plan.

**9.3** Nothing herein shall provide any Participant with an entitlement or right to continue in employment with the Corporation or any Subsidiary or to continue to be an officer, director, or management nominee for election as a director, of the Corporation or any Subsidiary. Neither the Plan nor any action taken thereunder shall interfere

with the right of the Corporation or any Subsidiary to terminate a Participant's employment at any time. Any period of notice or any payment in lieu thereof, upon termination of employment, with or without cause, shall not be considered as extending the period of employment for the purposes of the Plan.

**9.4** Participation in the Plan shall be entirely voluntary, and any decision not to participate shall not affect any employee's employment with the Corporation or any Subsidiary.

**9.5** Under no circumstances shall Restricted Share Units be considered Common Shares, nor shall Restricted Share Units entitle any Participant to exercise voting rights or any other rights attaching to the ownership or control of Common Shares, including, without limitation, rights on liquidation.

#### **ARTICLE 10** **WITHHOLDING TAXES**

**10.1** The Corporation or any Subsidiary may withhold from any payment to or for the benefit of a Participant (or, in the case of a Participant who has died, his or her designated beneficiary or estate) any amount required to comply with Applicable Law relating to the withholding of tax or the making of any other source deductions, including on the amount, if any, included in income of a Participant and may adopt and apply such rules and regulations that in its opinion will ensure that the Corporation will be able to so comply.

#### **ARTICLE 11** **TRANSFERABILITY**

**11.1** The rights or interests of a Participant under the Plan, including, without limitation, the Restricted Share Units, shall not be assignable or transferable, otherwise than in case of death as set out in the Plan, and such rights or interests shall not be encumbered by any means. Any attempt to so assign, transfer, or encumber any such amount, whether presently or thereafter payable, shall be void and of no force or effect.

#### **ARTICLE 12** **ALTERATION OF NUMBER OF RESTRICTED SHARE UNITS SUBJECT TO THE PLAN**

**12.1** In the event that:

(a) a dividend shall be declared upon the Common Shares or other securities of the Corporation payable in Common Shares or other securities of the Corporation (other than a dividend that may be paid in cash or in Common Shares at the option of the shareholder);

(b) the outstanding Common Shares shall be changed into or exchanged for a different number or kind of shares or other securities of the Corporation or of another corporation, whether through an arrangement, plan of arrangement, merger, amalgamation or other similar statutory procedure, or a share recapitalization, subdivision or consolidation or otherwise;

(c) there shall be any change, other than those specified in Paragraph (a) and Paragraph (b) of this Section 12.1, in the number or kind of outstanding Common Shares or of any shares or other securities into which such Common Shares shall have been changed or for which they shall have been exchanged;

(d) there shall be a distribution of assets or shares to shareholders of the Corporation out of the ordinary course of business;

then, if the Board shall, in its sole discretion, determine that if such change equitably requires an adjustment in the number of Restricted Share Units credited to Participants pursuant to the Plan but not yet settled, cancelled, terminated or forfeited, and/or a substitution, for each Common Share, of the kind of securities to which such Restricted Share Units relate and/or any other adjustment, then such adjustment and/or substitution shall be made by the Board. The decisions made by the Board pursuant to this Section 12.1 shall be effective and binding for all purposes.

**12.2** In the case of any such substitution, change or adjustment as provided for in Section 12.1, the variation shall generally require that the dollar value of the Restricted Share Units then recorded in the Participant's Account prior to such substitution, change or adjustment will be proportionately and appropriately varied so that it shall be approximately equal to such dollar value after the variation.

**12.3** For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Restricted Share Units will be granted to such Participant to compensate for a downward fluctuation in the price of the Common Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such a purpose.

**12.4** All Restricted Share Units granted under the Plan shall be and remain subject to any incentive compensation clawback or recoupment policy currently in effect or as may be adopted by the Board (or a committee of the Board) and, in each case, as may be amended from time to time.

### **ARTICLE 13** **NOTICES**

**13.1** Any payment, notice, statement, certificate or other instrument required or permitted to be given to a Participant (or, where the Participant has died, the legal representative of his or her estate) shall be given by:

- (a) personal delivery;
- (b) registered mail to the address of the Participant in the Corporation's records; or
- (c) other than in the case of a payment, facsimile or other means of electronic transmission receivable by the Participant (or, where the Participant has died, the legal representative of his or her estate).

**13.2** Any notice, statement, certificate or other instrument required or permitted to be given to the Corporation shall be given to the Corporation at its principal address by personal delivery, registered mail or facsimile or other means of electronic transmission receivable by the Corporation, to the attention of the Chief Financial Officer.

**13.3** Any payment, notice, statement, certificate or other instrument referred to in Sections 13.1(a), 13.1(b), or 13.1(c), if by personal delivery, shall be deemed to have been given or delivered on the date on which it was delivered, if by registered mail, shall be deemed to have been given or delivered on the second Business Day following the date on which it was mailed, and if by facsimile or other means of electronic transmission, on the next Business Day following transmission.

### **ARTICLE 14** **UNFUNDED PLAN**

**14.1** Unless otherwise determined by the Board, the Plan shall be unfunded until payment of the cash as provided herein.

**14.2** The Corporation's obligations hereunder shall constitute general, unsecured obligations, payable solely out of its general assets, and no Participant or other person shall have any right to any specific assets of the Corporation. The Corporation shall not segregate any assets for the purpose of funding its obligations with respect to the Restricted Share Units credited hereunder and shall not be deemed to be a trustee of any amounts to be distributed or paid pursuant to the Plan. No liability or obligation of the Corporation shall be deemed to be secured by any pledge of, or encumbrance on, any property of the Corporation.

### **ARTICLE 15** **AMENDMENT, SUSPENSION AND TERMINATION OF THE PLAN**

**15.1** The Board may, from time to time, (a) amend, suspend or terminate the Plan, in whole or in part, except that no such amendment, suspension or termination shall adversely affect the rights of any Participant to

benefits already accrued hereunder by such Participant, unless such Participant shall consent to such change in writing, or (b) amend the terms of Restricted Share Units credited in accordance with the Plan, in each case, without approval of the shareholders of the Corporation, but subject to the receipt of all required regulatory approvals including, without limitation, the approval of the TSXV.

**15.2** Notwithstanding the foregoing, the Plan shall not be amended to (a) remove or exceed the insider participation limit prescribed by TSXV Rules, (b) increase the maximum number of Common Shares made available for issuance from treasury under the Plan, or (c) modify this amendment provision, without the approval of the shareholders of the Corporation and the TSXV.

**15.3** Upon any termination of the Plan, in whole or in part, the Board may, in its discretion, determine whether the Restricted Share Units then credited to a Participant's Account and affected by the termination shall be vested on the date of the termination of the Plan or held for the credit of such Participant and vested and settled at a later date in accordance with the terms of the Plan in effect immediately prior to the termination of the Plan; provided that, in the case of a U.S. Taxpayer, any accelerated settlement of Restricted Share Units upon termination of the Plan will be subject to the requirements of Treas. Reg. §1.409-3(j)(4)(ix). The Plan will finally cease to operate for all purposes when the last remaining Participant receives a payment in satisfaction of all Restricted Share Units recorded in the Account of such Participant, or all Restricted Share Units recorded in the Account of such Participant are cancelled, terminated or forfeited pursuant to the terms of the Plan.

## **ARTICLE 16** **GOVERNING LAW**

**16.1** The participation of a Participant in the Plan shall be construed as acceptance of the terms and conditions of the Plan by the Participant and as to the Participant's agreement to be bound thereby. As a condition of participating in the Plan, each Participant agrees to furnish to the Corporation all information and undertakings as may be required to permit compliance by the Corporation or the Participant with Applicable Law.

**16.2** The Plan shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## **ARTICLE 17** **CONSTRUCTION AND INTERPRETATION**

**17.1** If any provision of the Plan or part thereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

**17.2** Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

**17.3** In the Plan, unless the context requires otherwise, words importing the singular number may be construed to extend to and include the plural number, and words importing the plural number may be construed to extend to and include the singular number.

## **ARTICLE 18** **UNITED STATES SECURITIES LAW MATTERS**

No Restricted Share Units shall be granted under the Plan to a Participant in the United States unless such Restricted Share Units and Common Shares subject to such Restricted Share Units are registered under the U.S. Securities Act and any applicable U.S. state securities laws, or an exemption from such registration requirements is available. If a registration statement covering the Common Shares subject to the Restricted Share Units has not been filed and become effective under the U.S. Securities Act, then any Restricted Share Units credited to the Restricted Share Unit Account of a Participant in the United States, and the Common Shares subject to such Restricted Share Units, issued pursuant to an available exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws will be "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S.

Securities Act), and any certificate or instrument representing such securities shall bear or be deemed to bear a legend restricting transfer under applicable United States federal and state securities laws in substantially the following form:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE U.S. STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C) OR (D), THE HOLDER HAS FURNISHED TO THE COMPANY AND ITS TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT TO THE EFFECT THAT SUCH EXEMPTION(S) ARE AVAILABLE. THESE SECURITIES MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES."

The Board may require that a Participant provide certain representations, warranties and certifications to the Corporation to satisfy the requirements of applicable securities laws, including without limitation, the registration requirements of the U.S. Securities Act and applicable state securities laws or exemptions or exclusions therefrom.

**SCHEDULE "A"**  
**PLAN PROVISIONS APPLICABLE TO PARTICIPANTS**  
**WHO ARE U.S. TAXPAYERS**

The provisions of this Schedule "A" apply to Restricted Share Units held by a U.S. Taxpayer notwithstanding any provision of the Plan to the contrary. This Schedule "A" shall apply to all U.S. Taxpayers, including those that become subject to U.S. taxation after their Restricted Share Units have been granted. Except as specifically defined in this Schedule "A", all capitalized terms used in this Schedule "A" shall have the meanings ascribed to them in the Plan. This Schedule "A" shall not apply to any Participant who is not a U.S. Taxpayer or to any Restricted Shares Units other than those held by a U.S. Taxpayer.

1. For the purpose of this Schedule "A", unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:
  - (a) The "**Code**" means the *United States Internal Revenue Code of 1986*, as amended from time to time;
  - (b) "**Section 409A**" means Section 409A of the Code;
  - (c) "**Specified Employee**" means a U.S. Participant who is a key employee of the Corporation at any time that the Corporation's stock is publicly traded on an established securities market or otherwise, within the meaning of Section 409A(a)(2)(B)(i) of the Code and related Treasury Regulations;
  - (d) "**Treasury Regulations**" means the Treasury Regulations promulgated pursuant to the Code;
  - (e) "**U.S. Participant**" means a Participant who is a U.S. Taxpayer; and
  - (f) "**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended.
2. To the extent necessary to comply with Section 409A, an event or transaction will only constitute a "Change of Control" if such event or transaction also constitutes a "change in control event" within the meaning of Treas. Reg. § 1.409A-3(i)(5).
3. No U.S. Participant shall be considered to have retired or to otherwise have been terminated for the purposes of Article 7 of the Plan unless such retirement or termination constitutes a "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h). In addition, to the extent compliance with the requirements of Treas. Reg. § 1.409A-3(i)(2) (or any successor provision) is necessary to avoid the application of an additional tax under Section 409A to any amount payable under the Plan to a Specified Employee with respect to his or her "separation from service" (as defined above), no such payment shall be made prior to the date that is the earlier of (a) six months and one day after such separation from service, or (b) the date of the Specified Employee's death.
4. Payments under the Plan to U.S. Participants may not be accelerated or deferred (whether pursuant to the Plan, pursuant to any Grant Agreement, in the discretion of any person or otherwise) contrary to the provisions of Section 409A.
5. To the extent provided in Prop. Treas. Reg. § 1.409A-1(b)(4)(ii), Treas. Reg. § 1.409A-2(b)(7)(ii) or any successor provision, the Company may delay settlement of Restricted Shares Units if it reasonably determines that such settlement would violate federal securities laws or any other applicable law.
6. It is the Corporation's intent that awards made under the Plan to U.S. Participants comply with or be exempt from the requirements of Section 409A and the Corporation has made good faith efforts to draft the Plan accordingly. In the event of any ambiguity in the language or any agreement entered into under the Plan (including any Grant Agreement) or in the operation of the Plan, the Plan and any agreement (including any

Grant Agreement) shall be construed, interpreted and operated in a manner that will result in compliance with the requirements of Section 409A. Notwithstanding the foregoing, neither the Corporation nor the Board, nor any officer, director, employee, agent or representative of the Corporation or the Board, shall be liable to any Participant or his or her estate, heirs or beneficiaries for any taxes relating in any way to the Restricted Share Units, including, without limitation, as a result of the application of Section 409A of the Code to such Restricted Share Units. Notwithstanding the foregoing, no such construction, interpretation or operation of the Plan shall be such that the Plan would constitute a "salary deferral arrangement" as defined in Section 248(1) of the Tax Act or any successor to such provision.

7. Without limiting the generality of Paragraph 6 of this Schedule "A", if any provision of the Plan or a Grant Agreement contravenes any regulations or Treasury guidance promulgated under Section 409A or would cause the Restricted Share Units to be subject to the interest and penalties under Section 409A, such provision of the Plan or Grant Agreement may, to the extent that it applies to U.S. Participants, be modified without the consent of any Participant, to maintain, to the maximum extent practicable, the original intent of the applicable provision without violating the provisions of Section 409A.
8. All provisions of the Plan shall continue to apply to U.S. Participants to the extent they have not been specifically modified by this Schedule "A".

**SCHEDULE "B"**  
**FORM OF GRANT AGREEMENT**

This Grant Agreement is entered into between Premium Nickel Resources Ltd. (the "**Corporation**") and the Participant named below, pursuant to the Restricted Share Unit of the Corporation (the "**Plan**"), and confirms that on \_\_\_\_\_ (the "**Grant Date**") \_\_\_\_\_ (the "**Participant**") was granted an aggregate of \_\_\_\_\_ Restricted Share Units, in accordance with the terms of the Plan, which Restricted Share Units will vest as follows:

Number of Restricted Share Units	Time Vesting Conditions	Performance Vesting Conditions
_____	_____	_____
_____	_____	_____
_____	_____	_____

all on the terms and subject to the conditions set out in the Plan.

Subject to the terms and conditions of the Plan, including provisions governing the vesting of Restricted Share Units in a Blackout Period, Restricted Share Units will be redeemed and settled on the Settlement Date, all in accordance with the terms of the Plan.

By signing this Grant Agreement, the Participant:

acknowledges that the Participant has read and understands the Plan, agrees with the terms and conditions thereof which shall be deemed to be incorporated into and form part of this Grant Agreement (subject to any specific variations contained in this Grant Agreement);

acknowledges that, subject to the vesting and other provisions in this Grant Agreement, each Vested Unit shall entitle the Participant to receive, on the Settlement Date, at the sole discretion of the Corporation, (i) a cash payment equal to the Market Price of a Common Share on the Vesting Date, or (ii) one Common Share;

acknowledges that the Participant has no right to demand to be paid in, or receive, Common Shares in respect of any Vested Units, and, notwithstanding any discretion exercised by the Corporation (or applicable Subsidiary) to settle any Vested Units, or portion thereof, in the form of Common Shares, the Corporation (and each Subsidiary) reserves the right to change such form of payment at any time until payment is actually made;

acknowledges that the Participant is responsible for paying any applicable taxes and withholding taxes arising from the vesting and redemption of any Vested Units and, for the avoidance of doubt, where such Participant is not an individual, such withholding tax rate will be the highest possible marginal tax rate applicable to such Participant as if they were an individual under the Tax Act and other applicable provincial or federal tax laws;

acknowledges that a Restricted Share Unit does not carry any voting rights;

acknowledges that the value of the Restricted Share Units granted herein are denominated in Canadian Dollars, and such value is not guaranteed; and

recognizes that, at the sole discretion of the Corporation, the Plan can be administered by an Administrator pursuant to Section 2.1 of the Plan, and any communication from or to the designee shall be deemed to be from or to the Corporation.

The Participant acknowledges and represents that: (a) the Participant fully understands and agrees to be bound by the terms and provisions of this Grant Agreement and the Plan; (b) agrees and acknowledges that the Participant has received a copy of the Plan and that the terms of the Plan form part of this Grant Agreement; and (c) hereby accepts these Restricted Share Units subject to all of the terms and provisions hereof and of the Plan. To the extent of any inconsistency between the terms of this Grant Agreement and those of the Plan, the terms of the Plan shall govern. The Participant has reviewed this Grant Agreement and the Plan, has had an opportunity to obtain the advice of counsel prior to executing this Grant Agreement.

This Grant Agreement and the terms of the Plan incorporated herein constitutes the entire agreement of the Corporation and the Participant (together, the "**Parties**") with respect to the Restricted Share Units and supersedes in its entirety all prior undertakings and agreements of the Parties with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest except by means of a writing signed by the Parties. This Grant Agreement and the terms of the Plan incorporated herein are to be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. Should any provision of this Grant Agreement or the Plan be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

In accordance with Article 18 of the Plan, unless the Common Shares that may be issued upon the settlement of Vested Units granted pursuant to this Agreement are registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), and any applicable state securities laws, such Common Shares may not be issued in the "United States" (as defined in Rule 902 of Regulation S under the U.S. Securities Act) unless an exemption from the registration requirements of the U.S. Securities Act is available. Any Common Share issued to a Participant in the United States that have not been registered under the U.S. Securities Act will be deemed "restricted securities" (as defined in Rule 144(a)(3) of the U.S. Securities Act) and bear a restrictive legend to such effect.

All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan.

*[Remainder of page intentionally left blank. Signature page follows.]*

