

# SECURITIES AND EXCHANGE COMMISSION

## FORM S-8

Initial registration statement for securities to be offered to employees pursuant to employee benefit plans

Filing Date: **2021-06-24**  
SEC Accession No. [0001104659-21-085124](#)

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### FILER

#### **HUT 8 MINING CORP.**

CIK: **1731805** | IRS No.: **000000000** | State of Incorp.: **A1** | Fiscal Year End: **1231**  
Type: **S-8** | Act: **33** | File No.: **333-257352** | Film No.: **211043212**  
SIC: **7374** Computer processing & data preparation

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As filed with the Securities and Exchange Commission on June 24, 2021

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM S-8**  
**REGISTRATION STATEMENT**  
*UNDER*  
*THE SECURITIES ACT OF 1933*

**Hut 8 Mining Corp.**

(Exact name of registrant as specified in its charter)

**British Columbia, Canada**

(State or other jurisdiction of incorporation or organization)

**N/A**

(I.R.S. Employer Identification No.)

**130 King Street West, Suite 1800**  
**Toronto, Ontario, M5X 2A2**  
(Address of Principal Executive Offices)

**Hut 8 Mining Corp. 2018 Omnibus Long-Term Incentive Plan**  
**Hut 8 Mining Corp. 2021 Employee Share Purchase Plan**  
(Full title of the plans)

**Puglisi & Associates**  
**850 Library Avenue, Suite 204**  
**Newark, Delaware 19711**  
(Name and address of agent for service)

**(302) 738-6680**  
(Telephone number, including area code, of agent for service)

**Copies to:**

**Richard Aftanas, Esq.**  
**Hogan Lovells US LLP**  
**390 Madison Ave**  
**New York, NY 10017**  
**(212) 918-3000**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

#### CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered <sup>(1)</sup>	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Shares	14,308,033 <sup>(2)</sup>	\$ 3.40 <sup>(3)</sup>	\$ 48,647,312.20 <sup>(3)</sup>	\$ 5,307.42

(1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement shall also be deemed to cover such additional securities which become issuable by reason of any stock dividend, stock split, recapitalization or any other similar transactions.

(2) Consists of an aggregate of 14,308,033 common shares of Hut 8 Mining Corp., no par value ("Common Shares"), available for issuance under the Hut 8 Mining Corp. 2018 Omnibus Long-Term Incentive Plan, as amended April 8, 2019 and May 14, 2021 (the "LTIP") and the Hut 8 Mining Corp. 2021 Employee Share Purchase Plan (the "ESPP" and, together with the LTIP, the "Plans"), both of which are being registered hereon. This amount includes Common Shares underlying restricted share units ("RSUs"), deferred share units ("DSUs") and options issuable under the Plans.

(3) Estimated solely for the purpose of calculating the registration fee under Rule 457(c) and (h) of the Securities Act on the basis of the average of the high and low sales price per Common Share on June 22, 2021, as reported on the Nasdaq Global Select Market.

## PART 1

### INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

#### Item 1. Plan Information\*

#### Item 2. Registrant Information and Employee Plan Annual Information\*

\* The documents containing the information specified by Part I, Items 1 and 2, of Form S-8 have been or will be delivered to participants in the Plans, as specified in Rule 428(b)(1) promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act") and the instructions to Form S-8. In accordance with the rules and regulations of the Commission and the instructions to Form S-8, such documents are not being filed with the Commission either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424(b) under the Securities Act.

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 3. Incorporation of Documents by Reference

The following documents filed with the Commission are hereby incorporated by reference in this Registration Statement:

- (a) [The Registrant's Registration Statement on Form F-10, filed with the Commission on March 10, 2021, as amended by Amendment No. 1 to Form F-10, filed with the Commission on April 7, 2021 \(collectively, the "F-10 Registration Statement"\);](#)

- (b) All reports filed by the Registrant pursuant to Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) since April 7, 2021; and
- (c) The description of the Registrant’s Common Shares contained in the Registrant’s registration statement referred to in (a) above, and any amendments or reports filed with the Commission for the purpose of updating such description.

#### **Item 4. Description of Securities**

Not applicable.

#### **Item 5. Interests of Named Experts and Counsel**

Not applicable.

#### **Item 6. Indemnification of Directors and Officers**

Section 160 of the Business Corporations Act (British Columbia) (the “BCBCA”) authorizes a company to indemnify past and present directors and officers of the company and past and present directors and officers of a corporation of which the company is or was a shareholder, against liabilities incurred in connection with the provision of their services as such if the director or officer acted honestly and in good faith with a view to the best interests of the company and, in the case of a criminal or administrative proceeding, if he or she had reasonable grounds for believing that his or her conduct was lawful. Section 165 of the BCBCA provides that a company may purchase and maintain liability insurance for the benefit of such directors and officers.

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Under the articles of the Registrant and subject to the provisions of the BCBCA, the Registrant shall indemnify a director, former director or alternate director of the Registrant and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Registrant shall, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Under the Registrant's articles and subject to any restrictions in the BCBCA, the Registrant may indemnify any other person, including the officers, former officers and alternate officers of the Registrant.

A policy of directors’ and officers’ liability insurance is maintained by the Registrant which insures directors and officers against losses incurred as a result of claims against the directors and officers of the Registrant pursuant to the indemnity provisions under the Registrant’s articles and the BCBCA.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

#### **Item 7. Exemption From Registration Claimed**

Not applicable.

#### **Item 8. Exhibits**

Exhibit No.    Description

[4.1](#)            [Articles of Hut 8 Mining Corp.](#)

[4.2](#)            [Hut 8 Mining Corp. 2018 Omnibus Long-Term Incentive Plan, as amended.](#)

[4.3](#)            [Hut 8 Mining Corp. 2021 Employee Share Purchase Plan.](#)

[5.1](#)            [Opinion of Bennett Jones LLP.](#)

- [23.1 Consent of Dale Matheson Carr-Hilton Labonte LLP.](#)
- [23.2 Consent of Bennett Jones LLP \(included in Exhibit 5.1\).](#)
- [24.1 Power of Attorney \(included on the signature page of the Registration Statement\).](#)

## Item 9. Undertakings

(a) The undersigned registrant hereby undertakes:

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- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
  - (i) to include any prospectus required by section 10(a)(3) of the Securities Act;  
  
to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "*Calculation of Registration Fee*" table in the effective registration statement;
  - (ii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that the undertakings set forth in paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Toronto, Province of Ontario, Canada, on June 24, 2021.

### HUT 8 MINING CORP.

By: /s/ Jaime Leverton

Name: Jaime Leverton

Title: Chief Executive Officer

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## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jaime Leverton and Tanya Woods, or either of them, his or her true and lawful attorneys-in-fact and agents, each of whom may act alone, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any or all amendments to this Registration Statement, including post-effective amendments, and any and all additional registration statements (including amendments and post-effective amendments thereto) in connection with any increase in the amount of securities registered with the SEC, and to file the same, with all exhibits thereto, and other documents and in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents, and each of them full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all his or her said attorneys-in-fact and agents or any of them or his or her substitute or substitutes may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together shall constitute one instrument.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by or on behalf of the following persons in the capacities indicated and on the dates indicated.

Signature	Title	Date
<u>/s/ Jaime Leverton</u> Jaime Leverton	Chief Executive Officer (Principal Executive Officer) and Director	June 24, 2021
<u>/s/ Jimmy Vaiopoulos</u> Jimmy Vaiopoulos	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 24, 2021
<u>/s/ Bill Tai</u> Bill Tai	Director	June 24, 2021
<u>/s/ Jeremy Sewell</u> Jeremy Sewell	Director	June 24, 2021
<u>/s/ Joseph Flinn</u> Joseph Flinn	Director	June 24, 2021

/s/ Sanjiv Samant Director  
Sanjiv Samant

June 24, 2021

/s/ Chris Eldredge Director  
Chris Eldredge

June 24, 2021

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**AUTHORIZED REPRESENTATIVE**

Pursuant to the requirements of Section 6(a) of the Securities Act of 1933, the undersigned has signed this Registration Statement, in the capacity of the duly authorized representative of the Registrant in the United States, on June 23, 2021.

**PUGLISI & ASSOCIATES**

By: /s/ Donald J. Puglisi  
Name: Donald J. Puglisi  
Title: Managing Director.

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**ARTICLES  
OF  
HUT 8 MINING CORP.**

**PROVINCE OF BRITISH COLUMBIA**

*BUSINESS CORPORATIONS ACT*

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**Incorporation Number BC1141274**

**ARTICLES**

**HUT 8 MINING CORP.**

**(the "Company")**

**PART 1**  
**INTERPRETATION**

**1.1 Definitions**

In these Articles, unless the context otherwise requires:

- (1) **"appropriate person"**, has the meaning assigned in the *Securities Transfer Act*;
- (2) **"board of directors"**, **"directors"** and **"board"** mean the directors or sole director of the Company for the time being;

- (3) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (5) "**legal personal representative**" means the personal or other legal representative of a shareholder;
- (6) "**protected purchaser**" has the meaning assigned in the *Securities Transfer Act*;
- (7) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register;
- (8) "**seal**" means the seal of the Company, if any;
- (9) "**Securities Act**" means the *Securities Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- "**securities legislation**" means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes; "**Canadian securities legislation**" means the securities legislation in any province or territory of Canada and includes the *Securities Act*; and "**U.S. securities legislation**" means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the Securities Act of 1933 and the Securities Exchange Act of 1934;

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- (11) "**Securities Transfer Act**" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

## 1.2 Business Corporations Act and Interpretation Act Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## PART 2 SHARES AND SHARE CERTIFICATES

### 2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### 2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### 2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

## **2.4 Delivery by Mail**

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgment is lost in the mail or stolen.

-2-

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## **2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement**

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

## **2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate**

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

- (1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (2) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

## **2.7 Recovery of New Share Certificate**

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

## **2.8 Splitting Share Certificates**

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

## **2.9 Certificate Fee**

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

## **2.10 Recognition of Trusts**

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

# **PART 3 ISSUE OF SHARES**

## **3.1 Directors Authorized**

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

## **3.2 Commissions and Discounts**

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

## **3.3 Brokerage**

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

## **3.4 Conditions of Issue**

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

(1) consideration is provided to the Company for the issue of the share by one or more of the following:

- (a) past services performed for the Company;
- (b) property;
- (c) money; and

(2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.



### 3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

## PART 4 SHARE REGISTERS

### 4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

### 4.2 Closing Register

The Company must not at any time close its central securities register.

## PART 5 SHARE TRANSFERS

### 5.1 Registering Transfers

The Company must register a transfer of a share of the Company if either:

- (1) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:
  - (a) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
  - (b) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and

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- (c) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

### 5.2 Waivers of Requirements for Transfer

The Company may waive any of the requirements set out in Article 5.1(1) and any of the preconditions referred to in Article 5.1(2).

### 5.3 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the Company or the transfer agent for the class or series of shares to be transferred.

#### **5.4 Transferor Remains Shareholder**

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

#### **5.5 Signing of Instrument of Transfer**

If a shareholder or other appropriate person or an agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

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#### **5.6 Enquiry as to Title Not Required**

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

#### **5.7 Transfer Fee**

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

### **PART 6 TRANSMISSION OF SHARES**

#### **6.1 Legal Personal Representative Recognized on Death**

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

#### **6.2 Rights of Legal Personal Representative**

The legal personal representative of a shareholder has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if appropriate evidence of appointment or incumbency within the meaning of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in

the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

## **PART 7 ACQUISITION OF COMPANY'S SHARES**

### **7.1 Company Authorized to Purchase or Otherwise Acquire Shares**

Subject to Article 7.2, the special rights or restrictions attached to the shares of any class or series of shares and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

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### **7.2 No Purchase, Redemption or Other Acquisition When Insolvent**

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

### **7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares**

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

## **PART 8 BORROWING POWERS**

### **8.1 Borrowing Powers**

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

## **PART 9 ALTERATIONS**

## 9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by directors' resolution or ordinary resolution, unless an alteration to the Company's Notice of Articles would be required, in which case by ordinary resolution:

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- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
  - (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
  - (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
  - (4) if the Company is authorized to issue shares of a class of shares with par value:
    - (a) decrease the par value of those shares; or
    - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
  - (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
  - (6) alter the identifying name of any of its shares; or
  - (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*;
- and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

## 9.2 Special Rights or Restrictions

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

## 9.3 Change of Name

The Company may by directors' resolution or ordinary resolution authorize an alteration to its Notice of Articles in order to change its name.

## 9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

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**PART 10**  
**MEETINGS OF SHAREHOLDERS**

**10.1 Annual General Meetings**

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

**10.2 Resolution Instead of Annual General Meeting**

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

**10.3 Calling of Meetings of Shareholders**

The directors may, at any time, call a meeting of shareholders, to be held at such time and at such place, either in or outside British Columbia, as may be determined by the directors.

**10.4 Notice for Meetings of Shareholders**

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

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**10.5 Record Date for Notice**

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

## 10.6 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

## 10.7 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

## 10.8 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
  - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
  - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

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## 10.9 Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

## PART 11 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

### 11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:

- (a) business relating to the conduct of or voting at the meeting;
- (b) consideration of any financial statements of the Company presented to the meeting;
- (c) consideration of any reports of the directors or auditor;
- (d) the setting or changing of the number of directors;
- (e) the election or appointment of directors;
- (f) the appointment of an auditor;
- (g) the setting of the remuneration of an auditor;
- (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
- (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

## **11.2 Special Majority**

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

## **11.3 Quorum**

Subject to the special rights or restrictions attached to the shares of any class or series of shares and to Article 11.4, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

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## **11.4 One Shareholder May Constitute Quorum**

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

## **11.5 Persons Entitled to Attend Meeting**

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

## **11.6 Requirement of Quorum**

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

## **11.7 Lack of Quorum**

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

#### **11.8 Lack of Quorum at Succeeding Meeting**

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

#### **11.9 Chair**

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

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#### **11.10 Selection of Alternate Chair**

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

#### **11.11 Adjournments**

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **11.12 Notice of Adjourned Meeting**

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

#### **11.13 Decisions by Show of Hands or Poll**

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

#### **11.14 Declaration of Result**

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.



### **11.15 Motion Need Not be Seconded**

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

### **11.16 Casting Vote**

In the case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

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### **11.17 Manner of Taking Poll**

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
  - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
  - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

### **11.18 Demand for Poll on Adjournment**

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

### **11.19 Chair Must Resolve Dispute**

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

### **11.20 Casting of Votes**

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

### **11.21 No Demand for Poll on Election of Chair**

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

### **11.22 Demand for Poll Not to Prevent Continuance of Meeting**

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of the meeting for the transaction of any business other than the question on which a poll has been demanded.

### **11.23 Retention of Ballots and Proxies**

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

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**PART 12**  
**VOTES OF SHAREHOLDERS**

**12.1 Number of Votes by Shareholder or by Shares**

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

**12.2 Votes of Persons in Representative Capacity**

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

**12.3 Votes by Joint Holders**

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

**12.4 Legal Personal Representatives as Joint Shareholders**

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

**12.5 Representative of a Corporate Shareholder**

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must be received:
  - (a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
  - (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;

- (2) if a representative is appointed under this Article 12.5:

- the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that
- (a) the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
  - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

#### **12.6 When Proxy Holder Need Not Be Shareholder**

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;  
  
the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (3) the Company is a public company.
- (4) the Company is a public company.

#### **12.7 When Proxy Provisions Do Not Apply to the Company**

If and for so long as the Company is a public company, Articles 12.8 to 12.16 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company, any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

#### **12.8 Appointment of Proxy Holders**

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

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#### **12.9 Alternate Proxy Holders**

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

#### **12.10 Deposit of Proxy**

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

## 12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

## 12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]

(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

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Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

Signed [month, day, year] [Signature of shareholder] [Name of shareholder - printed]

## 12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

## 12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

## 12.15 Chair May Determine Validity of Proxy.

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

## 12.16 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

## PART 13 DIRECTORS

### 13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

(1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;

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(2) if the Company is a public company, the greater of three and the most recently set of:

- (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
- (b) the number of directors set under Article 14.4;

(3) if the Company is not a public company, the most recently set of:

- (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
- (b) the number of directors set under Article 14.4.

### 13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

(1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;

(2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

### 13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

### 13.4 Qualifications of Directors

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

### 13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

### **13.6 Reimbursement of Expenses of Directors**

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

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### **13.7 Special Remuneration for Directors**

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

### **13.8 Gratuity, Pension or Allowance on Retirement of Director**

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

## **PART 14 ELECTION AND REMOVAL OF DIRECTORS**

### **14.1 Election at Annual General Meeting**

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

### **14.2 Consent to be a Director**

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

### **14.3 Failure to Elect or Appoint Directors**

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

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- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) when his or her successor is elected or appointed; and
- (4) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

#### **14.4 Places of Retiring Directors Not Filled**

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

#### **14.5 Directors May Fill Casual Vacancies**

Any casual vacancy occurring in the board of directors may be filled by the directors.

#### **14.6 Remaining Directors' Power to Act**

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

#### **14.7 Shareholders May Fill Vacancies**

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

#### **14.8 Additional Directors**

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or reappointment.

#### **14.9 Ceasing to be a Director**

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

#### **14.10 Removal of Director by Shareholders**

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

#### **14.11 Removal of Director by Directors**

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

### **PART 15 ALTERNATE DIRECTORS**

#### **15.1 Appointment of Alternate Director**

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

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#### **15.2 Notice of Meetings**

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

#### **15.3 Alternate for More Than One Director Attending Meetings**

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;



- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

#### **15.4 Consent Resolutions**

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

#### **15.5 Alternate Director Not an Agent**

Every alternate director is deemed not to be the agent of his or her appointor.

#### **15.6 Revocation of Appointment of Alternate Director**

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

#### **15.7 Ceasing to be an Alternate Director**

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or reappointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;

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- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

#### **15.8 Remuneration and Expenses of Alternate Director**

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

### **PART 16 POWERS AND DUTIES OF DIRECTORS**

#### **16.1 Powers of Management**

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

#### **16.2 Appointment of Attorney of Company**

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the

directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

## **PART 17**

### **INTERESTS OF DIRECTORS AND OFFICERS**

#### **17.1 Obligation to Account for Profits**

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

#### **17.2 Restrictions on Voting by Reason of Interest**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

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#### **17.3 Interested Director Counted in Quorum**

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

#### **17.4 Disclosure of Conflict of Interest or Property**

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

#### **17.5 Director Holding Other Office in the Company**

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

#### **17.6 No Disqualification**

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

#### **17.7 Professional Services by Director or Officer**

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

#### **17.8 Director or Officer in Other Corporations**

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

## PART 18 PROCEEDINGS OF DIRECTORS

### 18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

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### 18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

### 18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
  - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
  - (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
  - (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

### 18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors:

- (1) in person;
- (2) by telephone; or
- (3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person, or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

### 18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

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### **18.6 Notice of Meetings**

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1 or as provided in Article 18.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

### **18.7 When Notice Not Required**

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

### **18.8 Meeting Valid Despite Failure to Give Notice**

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

### **18.9 Waiver of Notice of Meetings**

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director or, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### **18.10 Quorum**

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

### **18.11 Validity of Acts Where Appointment Defective**

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

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## 18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article 18.12 may be by any written instrument, fax, e-mail or any other method of transmitting legibly recorded messages in which the consent of the director is evidenced, whether or not the signature of the director is included in the record. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of the directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

## PART 19 EXECUTIVE AND OTHER COMMITTEES

### 19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and during the intervals between meetings of the board of directors all of the directors' powers are delegated to the executive committee, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

### 19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
  - (a) the power to fill vacancies in the board of directors;
  - (b) the power to remove a director;
  - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
  - (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

### **19.3 Obligations of Committees**

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

### **19.4 Powers of Board**

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

### **19.5 Committee Meetings**

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

## **PART 20 OFFICERS**

### **20.1 Directors May Appoint Officers**

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

### **20.2 Functions, Duties and Powers of Officers**

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) delegate to the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

### **20.3 Qualifications**

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

#### **20.4 Remuneration and Terms of Appointment**

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

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### **PART 21 INDEMNIFICATION**

#### **21.1 Definitions**

In this Article 21:

- (1) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
  - (a) is or may be joined as a party; or
  - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) "expenses" has the meaning set out in the *Business Corporations Act*.

#### **21.2 Mandatory Indemnification of Directors**

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

#### **21.3 Permitted Indemnification**

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

#### **21.4 Non-Compliance with *Business Corporations Act***

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles or, if applicable, any former Companies Act or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part 21.

#### **21.5 Company May Purchase Insurance**

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

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- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

## **PART 22 DIVIDENDS**

### **22.1 Payment of Dividends Subject to Special Rights**

The provisions of this Part 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

### **22.2 Declaration of Dividends**

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may consider appropriate.

### **22.3 No Notice Required**

The directors need not give notice to any shareholder of any declaration under Article 22.2.

### **22.4 Record Date**

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

### **22.5 Manner of Paying Dividend**

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

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### **22.6 Settlement of Difficulties**



If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

#### **22.7 When Dividend Payable**

Any dividend may be made payable on such date as is fixed by the directors.

#### **22.8 Dividends to be Paid in Accordance with Number of Shares**

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

#### **22.9 Receipt by Joint Shareholders**

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

#### **22.10 Dividend Bears No Interest**

No dividend bears interest against the Company.

#### **22.11 Fractional Dividends**

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

#### **22.12 Payment of Dividends**

Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

#### **22.13 Capitalization of Retained Earnings or Surplus**

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

## **PART 23 ACCOUNTING RECORDS AND AUDITOR**

#### **23.1 Recording of Financial Affairs**

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

### **23.2 Inspection of Accounting Records**

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

### **23.3 Remuneration of Auditor**

The directors may set the remuneration of the auditor of the Company.

## **PART 24 NOTICES**

### **24.1 Method of Giving Notice**

Unless the *Business Corporations Act* or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
  - (a) for a record mailed to a shareholder, the shareholder's registered address;  
for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;

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- (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
  - (a) for a record delivered to a shareholder, the shareholder's registered address;  
for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
  - (c) in any other case, the delivery address of the intended recipient;
- (3) unless the intended recipient is the auditor of the Company, sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) unless the intended recipient is the auditor of the Company, sending the record by e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;
- (5) physical delivery to the intended recipient.

### **24.2 Deemed Receipt**

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed.

### **24.3 Certificate of Sending**

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

### **24.4 Notice to Joint Shareholders**

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

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### **24.5 Notice to Legal Personal Representatives and Trustees**

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:
  - (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
  - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

### **24.6 Undelivered Notices**

If, on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

## **PART 25 SEAL**

### **25.1 Who May Attest Seal**

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;

- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

### **25.2 Sealing Copies**

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

### **25.3 Mechanical Reproduction of Seal**

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

## **PART 26 PROHIBITIONS**

### **26.1 Definitions**

In this Part 26:

- (1) "security" has the meaning assigned in the *Securities Act*;
- (2) "transfer restricted security" means
  - (a) a share of the Company;
  - (b) a security of the Company convertible into shares of the Company;
  - (c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the "private issuer" exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the "private issuer" exemption.

### **26.2 Application**

Article 26.3 does not apply to the Company if and for so long as it is a public company.

### **26.3 Consent Required for Transfer of Shares or Transfer Restricted Securities**

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Dated November 14, 2017.

SE Corporate Services Ltd.

Per:  \_\_\_\_\_  
Authorized Signatory

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**HUT 8 MINING CORP.**
**OMNIBUS LONG-TERM INCENTIVE PLAN**


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**Effective February 15, 2018, as amended April 8, 2019 and May 14, 2021**

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## ADDENDA

Appendix A-FORM OF OPTION AGREEMENT

Appendix B-FORM OF DSU AGREEMENT

Appendix C-BOARD RETAINER DSU ELECTION NOTICE

Appendix D-FORM OF RSU AGREEMENT

## HUT 8 MINING CORP. OMNIBUS LONG-TERM INCENTIVE PLAN

Hut 8 Mining Corp. (the "**Corporation**") hereby establishes an Omnibus Long-Term Incentive Plan for certain qualified directors, officers, employees, consultants and service providers providing ongoing services to the Corporation and its Affiliates (as defined herein) that can have an impact on the Corporation's long-term results.

### ARTICLE 1 DEFINITIONS

#### Section 1.1 Definitions.

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

"**Affiliate**" has the meaning given to this term in the *Securities Act* (Ontario), as such legislation may be amended, supplemented or replaced from time to time;

"**Annual Board Retainer**" means the annual retainer paid by the Corporation to a director in a calendar year for service on the Board, including Board committee fees, attendance fees and additional fees and retainers to committee chairs; provided that, for greater clarity, "Annual Board Retainer" shall not include any amounts paid as a reimbursement or allowance for expenses;

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

"**Awards**" means Options, RSUs and DSUs granted to a Participant pursuant to the terms of the Plan;

"**Black-Out Period**" means a period of time when pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons designated by the Corporation;

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

"**Board Retainer DSUs**" has the meaning ascribed thereto in Section 4.3 hereof;

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

"**Canadian Participant**" means a Participant who is a resident of Canada for purposes of the Tax Act or who is granted an Award 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. Participant;

"**Cash Equivalent**" means the amount of money equal to the Market Value;

"**Cashless Exercise Right**" has the meaning ascribed thereto in Section 3.7 hereof;

"**Change in Control**" means the occurrence of any of the following events: (i) the acquisition, directly or indirectly, by any Person or group of Persons acting jointly or in concert, within the meaning of National Instrument 62-104 - Takeover Bids and Issuer Bids (or any successor instrument thereto), of a beneficial interest in voting or equity securities of the Corporation, together with all voting or equity securities of the Corporation at the time held beneficially, directly or indirectly by such person or persons acting jointly or in concert, equal to more than 50% of the votes associated with the outstanding voting securities of the Corporation; (ii) a merger, consolidation, plan of arrangement or reorganization of the Corporation that results in the beneficial, direct or indirect transfer of more than 50% of the total voting power of the resulting entity's outstanding securities to a person, or group of persons acting jointly and in concert, who are different from the person(s) that have, beneficially, directly or indirectly, more than 50% of the total voting power prior to such transaction; (iii) any sale, lease, exchange or other transfer (in one transaction or series of related transactions) of all or substantially all of the Corporation's property and assets, or (iv) the Corporation's shareholders approving any plan or proposal for the liquidation or dissolution of the Corporation;



"**Code**" means the U.S Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance thereunder;

"**Code of Conduct**" means any code of conduct adopted by the Corporation, as modified from time to time;

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

"**Consultant**" means a person, other than a director or an employee of the Corporation or of an Affiliate of the Corporation, that (i) is engaged to provide services to the Corporation or an Affiliate of the Corporation other than services provided in relation to a distribution of securities; (ii) provides services under a written contract with the Corporation or an Affiliate of the Corporation; and (iii) spends or will spend a significant amount of time and attention to the affairs and business of the Corporation or an Affiliate of the Corporation;

"**Corporation**" means Hut 8 Mining Corp., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time, and any corporate successor thereto;

"**Dividend Equivalent**" has the meaning ascribed thereto in Section 4.7 hereof;

"**DSU**" means a notional unit credited by means of a bookkeeping entry on the books of the Corporation pursuant to the Plan, and administered pursuant to the Plan, representing the conditional right of the holder to receive, at the discretion of the Corporation, the Cash Equivalent of one (1) Share, or one (1) Share, or a combination thereof, in accordance with Article 4, and references to "DSUs" in this Plan include any specific types of DSUs referenced herein, including Board Retainer DSUs;

"**DSU Agreement**" means a written letter agreement between the Corporation and a Participant evidencing the grant of DSUs and the terms and conditions thereof, substantially in the form of Appendix "B";

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

"**Eligible Director**" means a member of the Board who, at the time of execution of a Grant Agreement, and at all times thereafter while they continue to serve as a member of the Board, is not, other than in their role as a director, officer, senior executive or other Employee of the Corporation or an Affiliate, a consultant or service provider providing ongoing services to the Corporation and its Affiliates;

"**Eligible Participants**" means: (i) in respect of a grant of Options or RSUs, any director, executive officer, Employee, Consultant or service provider providing ongoing services to the Corporation and its Affiliates, and (ii) in respect of a grant of DSUs, any director, executive officer, or Employee of the Corporation or of a Related Corporation, in each case who the Board may determine from time to time, in its sole discretion;

"**Employee**" means an employee, within the meaning of the Tax Act, of the Corporation or an Affiliate;

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

"**Exchange**" means the TSX or, if the Shares are not listed or posted for trading on the TSX but are listed and posted for trading on another stock exchange, the stock exchange on which the Shares are listed or posted for trading;

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

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

**"Insider"** means a "reporting insider" of the Corporation as defined in National Instrument 55-104 -Insider Reporting Requirements and Exemptions and includes associates and affiliates (as such terms are defined in Part 1 of the TSX Company Manual) of such "reporting insider"

**"Market Value"** means, at any date when the market value of Shares of the Corporation is to be determined, the VWAP on the Exchange for the five trading days immediately prior to such date, or if the Shares of the Corporation are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith, in a manner consistent with the provisions of the Tax Act and Section 409A of the Code;

**"Option"** means an option granted to the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof;

**"Option Agreement"** means a written letter agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof, substantially in the form set out in Appendix "A";

**"Option Price"** has the meaning ascribed thereto in Section 3.3 hereof;

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

**"Outstanding Issue"** means the number of Shares that are outstanding as at a specified time, on a non-diluted basis;

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

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

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

**"Performance Period"** means the period determined by the Board pursuant to Section 5.3 hereof;

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

**"Plan"** means this Omnibus Long-Term Incentive Plan, as amended and restated from time to time;

**"Related Corporation"** means an Affiliate of the Corporation that is "related" to the Corporation, as determined for the purposes of the Tax Act;

**"Restriction Period"** means the period determined by the Board pursuant to Section 5.3 hereof;

**"RSU"** means a notional unit credited by means of a bookkeeping entry on the books of the Corporation pursuant to the Plan, and administered pursuant to the Plan, representing the conditional right of the holder to receive, at the discretion of the Corporation, the Cash Equivalent of one (1) Share, or one (1) Share, or a combination thereof, in accordance with Article 5 of the Plan;

**"RSU Agreement"** means a written letter agreement between the Corporation and a Participant evidencing the grant of RSUs and the terms and conditions thereof, substantially in the form of Appendix "C";

**"RSU Settlement Date"** has the meaning determined in Section 5.6(3)(b);

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

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

"**Share Compensation Arrangement**" means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, directors, officers, insiders, service providers or consultants of the Corporation or an Affiliate including a share purchase from treasury by a full-time employee, director, officer, insider, service provider or consultant which is financially assisted by the Corporation or an Affiliate by way of a loan, guarantee or otherwise;

"**Shares**" means the common shares in the capital of the Corporation;

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

"**Termination Date**" means (i) in the event of a Participant's resignation, the date on which such Participant ceases to be a director, executive officer, employee or Consultant of the Corporation or an Affiliate, (ii) in the event of the termination of the Participant's employment, or position as director, executive or officer of the Corporation or an Affiliate, or Consultant, the effective date of the termination as specified in the notice of termination provided to the Participant by the Corporation or the Affiliate, as the case may be, and (iii) in the event of a Participant's death, on the date of death; provided that, in all cases, in applying the provisions of this Plan to DSUs granted to a Canadian Participant, the "Termination Date" shall be the date on which the Participant is neither a director, employee, executive or officer of the Corporation or of any affiliate of the Corporation (as determined for the purposes of paragraph 6801(d) of the Tax Act Regulations);

"**Trading Day**" means any day on which the Exchange is opened for trading;

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

"**U.S. Participant**" means a Participant who is subject to taxation in the United States in respect of Awards under the Plan; provided that, for greater certainty, a Participant may be both a Canadian Participant and a U.S. Participant; and

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

## **ARTICLE 2**

### **PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS**

#### **Section 2.1 Purpose of the Plan.**

(1) The purpose of the Plan is to permit the Corporation to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Corporation's welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Corporation or an Affiliate;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Corporation or an Affiliate and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Corporation or an Affiliate are necessary or essential to its success, image, reputation or activities;

- (c) to reward the Participants for their performance of services while working for the Corporation or an Affiliate; and
- (d) to provide a means through which the Corporation or an Affiliate may attract and retain able Persons to enter its employment or into contractual arrangements.

## Section 2.2 Implementation and Administration of the Plan.

(1) The Plan shall be administered and interpreted by the Board or, if the Board by resolution so decides, by a committee appointed by the Board (the "**Committee**") and consisting of not less than three (3) members of the Board. If a Committee is appointed for this purpose, all references to the term "**Board**" will be deemed to be references to the Committee.

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

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

(4) Any determination approved by a majority of the Board shall be deemed to be a determination of that matter by the Board.

## Section 2.3 Eligible Participants.

(1) In determining Awards to be granted under the Plan, the Board shall give due consideration to the value of each Eligible Participant's present and potential future contribution to the Corporation's success. For greater certainty, a Person whose employment with, or service as a director to, the Corporation or an Affiliate has ceased for any reason, or who has given notice or been given notice of such cessation, whether such cessation was initiated by such Employee, director, the Corporation or such Affiliate, as the case may be, shall cease to be eligible to receive Awards hereunder as of the date on which such Person provides notice to the Corporation or the Affiliate, as the case may be, in writing or verbally, of such cessation, or on the Termination Date for any cessation of a Participant's employment initiated by the Corporation.

(2) For Eligible Participants who are Employees, Consultants or Eligible Directors of the Corporation, the Corporation and the Participant are responsible for ensuring and confirming that the Participant is a bona fide Employee, Consultant or Eligible Director, as the case may be.

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

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

## Section 2.4 Shares Subject to the Plan.

Subject to adjustment pursuant to provisions of Article 7 hereof, and as may be approved by the Exchange and the shareholders of the Corporation from time to time:

(1) The maximum number of Shares reserved and available for issuance under the Plan and any other proposed or established Share Compensation Arrangement shall not exceed ten percent (10%) of the issued and outstanding Shares of the Corporation (the "**Outstanding Issue**"), from time to time.

(2) The maximum number of Shares reserved and available for issuance to Eligible Participants who are Insiders, at any time, under this Plan and any other proposed or established Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue, from time to time.

- (3) The maximum number of Shares issued to Eligible Participants who are Insiders, within any one-year period, under this Plan and any other proposed or established Share Compensation Arrangement, shall not exceed ten percent (10%) of the Outstanding Issue, from time to time.
- (4) The maximum number of Shares issued to any Person within any one-year period shall not exceed five percent (5%) of the Outstanding Issue, from time to time, calculated on the date an option is granted to the Person.
- (5) Any Award granted pursuant to the Plan and any other Share Compensation Arrangement prior to a Participant becoming an Insider, shall be excluded for the purposes of the limits set out Section 2.4(2) and Section 2.4(3) above.
- (6) For greater certainty, unless an Award is explicitly stated to be settled only for Shares, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any Award, and, notwithstanding any discretion exercised by the Corporation to settle any Award, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made.

### **Section 2.5 Granting of Awards.**

- (1) Any Award granted under the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the exercise or settlement of such Award or the issuance of Shares thereunder, if applicable, such Award may not be accepted, settled or exercised in whole or in part in Shares unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.

- (2) Any Award granted under the Plan shall be subject to the requirement that, the Corporation has the right to place any restriction or legend on any securities issued pursuant to this Plan including, but in no way limited to placing a legend to the effect that the securities have not been registered under the *United States Securities Act of 1933* and may not be offered or sold in the United States unless registration or an exemption from registration is available.

## **ARTICLE 3 OPTIONS**

### **Section 3.1 Nature of Options.**

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof.

### **Section 3.2 Option Awards.**

- (1) Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**") and the relevant vesting provisions (including Performance Criteria, if applicable) and Option Term, subject to the terms and conditions prescribed in this Plan, in any Option Agreement and any applicable rules of the Exchange.

- (2) Unless otherwise set forth in the Option Agreement, Options granted shall vest on the following basis:
- (a) for Employees with one or more years of employment with the Corporation and for Eligible Directors and officers of the Corporation: 1/6 of the Options vesting six months following the date of grant, and 1/6 of the Options vesting every six months thereafter; and

- (b) for Employees with less than one year of employment with the Corporation: 1/3 of the Options vesting one year following the date of grant, and 1/6 of the Options vesting every six months thereafter.

### **Section 3.3 Option Price.**

The Option Price per Share that is the subject of any Option shall be fixed by the Board when such Option is granted, but shall not be less than the Market Value of such Share at the time of the grant. Notwithstanding anything in this Plan to the contrary, an Option granted to a U.S. Participant shall not be granted with an Option Price that is less than the fair market value of a Share at the time of grant, determined in accordance with Section 409A of the Code.

### **Section 3.4 Option Term.**

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, commencing on the date such Option is granted to the Participant and ending as specified in this Plan, or in the Option Agreement, but in no event shall an Option expire on a date which is later than ten (10) years from the date the Option is granted ("**Option Term**"). Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.

- (2) Should the expiration date for an Option fall within a Black-Out Period or within nine (9) Business Days following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Black-Out Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 7.2 hereof, the ten (10) Business Day period referred to in this Section 3.4 may not be extended by the Board. Notwithstanding the foregoing, in the event that a Participant receives Shares in satisfaction of an Award during a Black-Out Period, the Corporation shall advise such Participant of the same in writing and such Participant shall not be entitled to sell or otherwise dispose of such Shares until such Black-Out Period has expired. Notwithstanding anything in this Plan to the contrary, an Option granted to a U.S. Participant shall not be extended as provided in this Section unless the Company reasonably determines that such extension does not cause the Participant to be subject to excise taxes under Section 409A of the Code.

### **Section 3.5 Exercise of Options.**

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

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

### **Section 3.6 Method of Exercise and Payment of Purchase Price.**

- (1) Subject to the provisions of the Plan and the alternative exercise procedures set out herein, an Option granted under the Plan may be exercisable (from time to time as provided in Section 3.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Corporation at its registered office to the attention of the Corporate Secretary of the Corporation (or the individual that the Corporate Secretary of the Corporation may from time to time designate), together with a bank draft, certified cheque or other form of payment acceptable to the Corporation in an amount equal to the aggregate Option Price of the Shares to be purchased pursuant to the exercise of the Options, together with any amounts required under Section 8.2.

- (2) Where Shares are to be issued to the Participant pursuant to the terms of this Section 3.6, as soon as practicable following the receipt of the Exercise Notice and, if Options are exercised in accordance with the terms of Section 3.6(1), the required bank

draft, certified cheque or other acceptable form of payment, the Corporation shall duly issue such Shares to the Participant as fully paid and non-assessable.

(3) Upon the exercise of an Option pursuant to Section 3.6(1), the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:

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

(b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.

### **Section 3.7 Cashless Exercise**

(1) The Board may, at any time and on such terms as it may in its discretion determine, grant to a Participant who is entitled to exercise an Option the alternative right (the "**Cashless Exercise Right**") to deal with such Option on a "cashless exercise" basis. Without limitation, the Board may determine in its discretion that such Cashless Exercise Right, if any, granted to a Participant in respect of any Options entitles the Participant the right to surrender such Options, in whole or in part, to the Corporation upon giving notice in writing to the Corporation of the Participant's intention to exercise such Cashless Exercise Right and the number of Options in respect of which such Cashless Exercise Right is being exercised, and, upon such surrender, to receive, as consideration for the surrender of such Options as are specified in the notice, that number of Shares, disregarding fractions, equal to the quotient obtained by:

(a) subtracting the applicable Option Price from the Market Value of a Share (determined as of the date such notice of cashless exercise is received by the Corporation), and multiplying the remainder by the number of Options specified in such notice;

(b) dividing the net amount obtained under Section 3.7(1)(a) by the Market Value of a Share determined as of the date such notice of cashless exercise is received by the Corporation.

### **Section 3.8 Option Agreements.**

Options shall be evidenced by an Option Agreement or included in an Employment or Services Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine, provided that the substance of Article 3 and Article 6 hereof be included therein. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or providing services, or the rules of any regulatory body having jurisdiction over the Corporation. For greater certainty, all Options granted to Canadian Participants shall have such terms and conditions to ensure the Options are governed by section 7 of the Tax Act.

## **ARTICLE 4 DEFERRED SHARE UNITS**

### **Section 4.1 Nature of DSUs.**

DSUs may, from time to time, be granted to Eligible Participants under this Plan, subject to such vesting and other terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion. A DSU is an Award attributable to a Participant's duties of an office, directorship or employment and that, upon settlement, entitles the recipient Participant to receive



the Cash Equivalent of one (1) Share or one (1) Share, or a combination thereof, as determined by the Corporation in its sole discretion, unless such DSU expires prior to being settled.

For greater certainty, the aggregate of all amounts, each of which may be received by or in respect of an Eligible Participant in respect of a DSU, shall depend, at all times, on the fair market value of shares of the capital stock of the Corporation or of a Related Corporation at a time within the period that commences one year before such Participant's Termination Date and ends at the time the amount is received.

For greater certainty, no Eligible Participant or any person with whom such Eligible Participant does not deal at arm's length, as determined for the purposes of the Tax Act, shall be entitled, either immediately or in the future, either absolutely or contingently, to receive or obtain any amount or benefit granted or to be granted for the purpose of reducing the impact, in whole or in part, of any reduction in the fair market value of the shares of the Corporation or a Related Corporation. No DSUs shall be granted hereunder for such purpose.

#### **Section 4.2 DSU Awards – General**

(1) Subject to the provisions of this Plan and the requirements of paragraph 6801(d) of the regulations to the Tax Act, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may be granted DSUs under the Plan, (ii) fix the number of DSUs to be granted to each Eligible Participant and the date or dates on which such DSUs shall be granted, and (iii) determine the relevant conditions and vesting provisions for such DSUs, subject to the terms and conditions prescribed in this Plan and in any DSU Agreement

(2) Subject to the vesting and other conditions and provisions in this Plan and in any DSU Agreement, each DSU awarded to a Participant shall entitle the Participant to receive on settlement the Cash Equivalent of one (1) Share, or at the discretion of the Corporation, one Share or any combination of cash and Shares as the Corporation in its sole discretion may determine. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any DSU, and, notwithstanding any discretion exercised by the Corporation to settle any DSU, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made.

(3) Other than as specified elsewhere in this Plan with respect to grants of specific types of DSUs and unless otherwise set forth in any DSU Agreement, each DSU shall vest as to 50% on the six month anniversary of the date of grant and 50% on the anniversary of the date of grant.

#### **Section 4.3 Board Retainer DSUs**

(1) Subject to Board approval, an Eligible Participant who is a director of the Corporation may elect, irrevocably and in advance, by filing an election notice in the form of Appendix "C" attached hereto (the "**Election Notice**"), to have an amount (the "Elected Amount") up to one hundred percent (100%) of the value of his or her Annual Board Retainer be satisfied in the form of DSUs ("Board Retainer DSUs"). In the case of an existing director, the election must be completed, signed and delivered to the Corporation no later than December 31<sup>st</sup> of the calendar year immediately preceding the calendar year to which such election is to apply. In the case of a new director, the election must be completed, signed and delivered to the Corporation as soon as possible, and, in any event, no later than 30 days, after the director's appointment, with such election to be effective for amounts of Annual Board Retainer to be paid after the date of the Election for services to be performed subsequent to the date of such Election Notice. For the first year of this Section 4.3 becoming part of the Plan, directors must make such election as soon as possible, and, in any event, no later than 30 days, after adoption of the amended Plan containing this Section 4.3 and the election shall be effective for amounts of Annual Board Retainer to be paid after the date of the Election for services to be performed subsequent to the date of such Election Notice. If no election is validly made or exists in respect of a particular calendar year, the new or existing director will be paid in cash in accordance with the Corporation's regular practices of paying such cash compensation.

(2) The Election Notice shall, subject to any minimum amount that may be required by the Board, from time to time, designate the Elected Amount as a percentage of the Annual Board Retainer for the applicable calendar year that is to be satisfied in the form of Board Retainer DSUs, with the remaining percentage to be paid in cash in accordance with the Corporation's regular practices of paying such cash compensation.



- (3) Any Election Notice shall, once delivered to the Corporation, be irrevocable in respect of the calendar year in which it was made.
- Subject to Board approval, each director that has filed a valid Election Notice shall be credited with a number of Board Retainer DSUs equal to the portion of the Annual Board Retainer corresponding to the Elected Amount divided by the Market Value.
- (4) Board Retainer DSUs will be credited to each such director's Participant Account as of the date or dates of payment of the Annual Board Retainer (or a portion or portions thereof) or on such other date as the Board may determine is appropriate, in its sole discretion, having regard to any Black-Out Periods or other relevant considerations.
- (5) In the absence of the Eligible Participant delivering to the Corporation a new Election Notice, within the time specified in Section 4.3(1), in respect of the following calendar year, the Participant's Election Notice shall remain in effect for subsequent calendar years.
- (6) Any Board Retainer DSUs granted to a Participant to satisfy an Elected Amount pursuant to this Section 4.3 shall vest immediately upon grant.
- Notwithstanding anything in this Plan to the contrary, with respect to a director who is subject to taxation in the U.S. (i) in the case of a new director, the election referred to in this Section 4.3 must be completed, signed and delivered to the Corporation as soon as possible, and, in any event, no later than 30 days, after the director's appointment, with such election to be effective for services to be performed subsequent to the date of such Election Notice, and (ii) for the first year of this Section 4.3 becoming part of the Plan, directors must make such elections as soon as possible, and, in any event, no later than 30 days, after adoption of the amended Plan, and the election shall be effective for services to be performed subsequent to the date of such election.
- (7)

#### **Section 4.4 Redemption of DSUs.**

- By electing in advance prior to a Participant's Termination Date, each Participant shall be entitled to redeem his or her DSUs on up to two specified dates during the period commencing on the Business Day immediately following his or her Termination Date and ending on December 15 of the first calendar year following such Termination Date, or any shorter redemption period set out in the relevant DSU Agreement, by providing a written notice of settlement to the Corporation setting out the number of DSUs to be settled and the date of settlement (the "**DSU Redemption Notice**"). Such DSU Redemption Notice must be delivered by the Participant to the Corporation prior to the Participant's Termination Date.
- (1)

- (2) If a DSU Redemption Notice is not received by the Corporation on or before the Participant's Termination Date or the DSU Redemption Notice does not specify a date or dates within the time period noted in Section 4.4(1), the Participant shall be deemed to have delivered a DSU Redemption Notice specifying the Business Day immediately following his or her Termination Date.

- (3) The Board shall, in its sole discretion, determine whether each vested DSU to be settled shall be settled: (i) by way of payment of the Cash Equivalent of one Share; (ii) by way of the issuance of one Share issued from treasury or (iii) a combination of cash and Shares. Where the settlement is made by way of cash, the calculation shall be made as of the date specified or deemed to be specified in the DSU Redemption Notice. All amounts payable, whether in cash or Shares, shall be net of any applicable withholding taxes or other source deductions.

- (4) Subject to Section 4.4(3), settlement of DSUs shall take place as soon as commercially and reasonably possible following the date or dates specified or deemed to be specified in the DSU Redemption Notice, and in all events prior to December 20th of the calendar year following the particular Participant's Termination Date.

- (5) If in the opinion of the Board, a Participant is in possession of material undisclosed information regarding either or both of the Corporation and the Shares on the date specified or deemed to be specified in the DSU Redemption Notice, the settlement of such Participant's DSUs shall be postponed until the earliest of the date on which (i) the Board is satisfied the Participant is no longer in possession of any such material undisclosed information, or (ii) December 20<sup>th</sup> of the year following the year of the Participant's Termination Date. Notwithstanding the foregoing, in the event that a Participant receives Shares in satisfaction of

an Award during a Black-Out Period, the Corporation shall advise such Participant of the same in writing and such Participant shall not be entitled to sell or otherwise dispose of such Shares until such Black-Out Period has expired.

(6) Notwithstanding any other provision of the Plan:

- (a) no payment shall be made in respect of a DSU until after the Participant's Termination Date; and
- (b) all amounts payable to, or in respect of, a Participant hereunder shall be paid on or before December 31 of the calendar year commencing immediately after the Participant's Termination Date.

Notwithstanding any other provision of the Plan, the following provisions apply to U.S. Participants: (i) if a U.S. Participant is to be given an ability to elect the time of settlement of his DSUs, such election must be made at the same time and in accordance with the requirements applicable to the Election Notice and may only allow the U.S. Participant to choose a time of settlement that complies with Section 409A of the Code, (ii) for purposes of any payments to be made on a U.S. Participant's Termination Date, such Termination Date must be the date of the U.S. Participant's "separation from service" within the meaning of Section 409A of the Code and such payments must be made within sixty (60) days of such U.S. Participant's Termination Date, and (iii) the provisions of (5) shall not apply.

(7)

Notwithstanding anything in the Plan to the contrary, if the DSUs of a U.S. Participant are subject to tax under both the income tax laws of Canada and the income tax laws of the United States, the following special rules regarding forfeiture will apply. For greater clarity, these forfeiture provisions are intended to avoid adverse tax consequences under Code Section 409A and/or under paragraph 6801(d) of the regulations under the Tax Act, that may result because of the different requirements as the time of redemption of DSUs (and thus the time of taxation) with respect to a U.S. Participant's "separation from service" under Code Section 409A and the U.S. Participant's Termination Date under Canadian tax law. The intended consequence of this Section 4.4(8) is that payments to such U.S. Participant in respect of DSUs will only occur if such U.S. Participant's cessation of services to the Corporation or an Affiliate constitutes both a Separation from Service and a Termination Date. If such a U.S. Participant does not experience both a Separation from Service and a Termination Date such DSUs shall be immediately and irrevocably forfeited:

(8)

#### **Section 4.5 Termination of Unvested DSU Awards.**

If, as of the Participant's Termination Date, a vesting condition applicable to a DSU Award has not been satisfied or, at the discretion of the Board, waived, then such DSU Award, or portion thereof to which the vesting condition applies, shall terminate.

#### **Section 4.6 DSU Agreements.**

DSUs shall be evidenced by a DSU Agreement in such form not inconsistent with the Plan as the Board may from time to time determine. The DSU Agreement shall contain such terms that may be considered necessary in order that the DSU will comply with any provisions respecting deferred share units in the Tax Act (including such terms and conditions so as to ensure that the DSUs granted to Canadian Participants do not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the Tax Act by reason of the exemption in paragraph 6801(d) of the regulations to the Tax Act) or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

#### **Section 4.7 Award of Dividend Equivalents**

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of DSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional DSUs, the number of which shall be equal to a fraction where the numerator is the product of (i) the number of DSUs in such Participant's Account on the date that dividends are paid multiplied by (ii) the dividend paid per Share and the denominator of which is the Market Value of one Share calculated on the date that dividends are paid. Any additional DSUs credited to a Participant's Account as a Dividend Equivalent pursuant to this Section 4.7 shall be subject to the same terms and conditions, including vesting conditions, and time of payment, as the underlying DSU Award.

**ARTICLE 5**  
**RESTRICTED SHARE UNITS**

**Section 5.1 Nature of RSUs.**

RSUs may, from time to time, be granted to Eligible Participants under this Plan, subject to such vesting and other terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion. An RSU is an Award paid to an Eligible Participant as a bonus for services rendered in the year of grant and is in addition to, and not in substitution for or in lieu of, ordinary salary and wages received by such Eligible Participant in respect of his or her services to the Corporation or an Affiliate, as applicable, and entitles the recipient Participant to receive the Cash Equivalent of one (1) Share or one (1) Share, or a combination thereof, as determined by the Corporation in its sole discretion, unless such RSU expires prior to being settled. A RSU may be made subject to such restrictions, vesting and conditions as the Board may determine at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre-established performance goals and objectives.

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**Section 5.2 RSU Awards.**

(1) The Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the restriction period of such RSUs, and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.

(2) Unless otherwise set forth in the RSU Agreement, each RSU shall vest as to 1/3 on each of the first, second and third anniversary of the date of grant.

(3) Subject to the vesting and other conditions and provisions in this Plan and in any RSU Agreement, each RSU awarded to a Participant shall entitle the Participant to receive on settlement the Cash Equivalent of one (1) Share, or at the discretion of the Corporation, one (1) Share or any combination of cash and Shares as the Corporation in its sole discretion may determine. For greater certainty, no Participant shall have any right to demand to be paid in, or receive, Shares in respect of any RSU, and, notwithstanding any discretion exercised by the Corporation to settle any RSU, or portion thereof, in the form of Shares, the Corporation reserves the right to change such form of payment at any time until payment is actually made.

(4) RSUs shall be settled at any time beginning on the first Business Day following their RSU Vesting Determination Date (defined below) but no later than the RSU Settlement Deadline Date (defined below).

**Section 5.3 Restriction Period.**

The applicable restriction period in respect of a particular RSU awarded shall be determined by the Board but in all cases shall end no later than December 15 of the calendar year which is three (3) years after the calendar year in which the RSU is granted ("**Maximum Restriction Period**"). For example, the Restriction Period for a grant made in June 2018 shall end no later than December 15, 2021. Subject to the Board's determination, any vested RSUs with respect to a Restriction Period will be paid to Participants in accordance with Article 5, no later than the last day of the Restriction Period (the "**RSU Settlement Deadline Date**"). Unless otherwise determined by the Board, all unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 5.5) and, in any event, no later than the RSU Settlement Deadline Date.

**Section 5.4 Performance Criteria and Performance Period.**

(1) For each award of RSUs, the Board shall establish the period in which any Performance Criteria and other vesting conditions must be met in order for a Participant to be entitled to receive Shares in exchange for all or a portion of the RSUs held by such Participant (the "**Performance Period**"), provided that such Performance Period may not expire after the end of the Maximum Restriction Period.

- (2) For each award of RSUs, the Board shall establish any Performance Criteria and other vesting conditions which must be met during the Performance Period, provided, that no such condition or restriction shall cause any RSU that is granted to a Canadian Participant to fail to or cease to comply with the requirements of paragraph (k) of the exception to the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act..

#### **Section 5.5 RSU Vesting Determination Date.**

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

#### **Section 5.6 Settlement of RSUs.**

- (1) Except as otherwise provided in the RSU Agreement, in the event that the vesting conditions, the Performance Criteria and Performance Period, if applicable, of an RSU are satisfied:
- (a) all of the vested RSUs covered by a particular grant may, subject to Section 5.6(3), be settled at any time beginning on the first Business Day following their RSU Vesting Determination Date but no later than the RSU Settlement Deadline Date; and
  - (b) a Participant's vested RSUs shall be settled on the date (the "**RSU Settlement Date**") that is the date selected by the Corporation that falls after the RSU Vesting Determination Date but prior to the RSU Settlement Deadline Date.

- (2) The Board shall, in its sole discretion, determine whether each vested RSU to be settled shall be settled: (i) by way of payment of the Cash Equivalent of one Share; (ii) by way of the issuance of one Share issued from treasury or (iii) a combination of cash and Shares. Where the settlement is made by way of cash, the calculation shall be made as of the RSU Settlement Date. All amounts payable, whether in cash or Shares, shall be net of any applicable withholding taxes or other source deductions.
- (3) Notwithstanding any other provision of this Plan:
- (a) all amounts payable to, or in respect of, a Participant hereunder shall be paid on or before the RSU Settlement Deadline Date.
  - (b) in the event that an RSU Settlement Deadline Date falls during a Black-Out Period and in the event that a Participant receives Shares in satisfaction of an Award during a Black-Out Period, the Corporation shall advise such Participant of the same in writing and such Participant shall not be entitled to sell or otherwise dispose of such Shares until such Black-Out Period has expired.
- (4) Notwithstanding any other provisions of the Plan, the following provisions apply to U.S. Participants: (i) RSUs granted to U.S. Participants shall be settled within sixty (60) days of the their RSU Vesting Determination Date or such other time as determined by the Corporation as complies with 409A., and (ii) the provisions of Section 5.6(3)(b) shall not apply.

#### **Section 5.7 RSU Agreements.**

RSUs shall be evidenced by a RSU Agreement or included in an Employment or services Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the corporation. For greater certainty, in respect of Canadian Participants, the Board intends to at all times ensure that the RSUs shall not constitute a "salary deferral arrangement" as defined in subsection 248(1) of the ITA, by reason of the exemption in paragraph (k) thereof.

**ARTICLE 6**  
**GENERAL CONDITIONS**

**Section 6.1 General Conditions Applicable to Awards.**

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

(a) **Employment** - The granting of an Award to a Participant shall not impose upon the Corporation or an Affiliate any obligation to retain the Participant in its employ in any capacity. For greater certainty, the granting of Awards to a Participant shall not impose any obligation on the Corporation to grant any awards in the future nor shall it entitle the Participant to receive future grants.

(b) **Rights as a Shareholder** - Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards until the date of issuance of a share certificate to such Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) or the entry of such person's name on the share register for the Shares. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued or entry of such person's name on the share register for the Shares.

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(c) **Conformity to Plan** - In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.

(d) **Non-Transferability** - Except as set forth herein, Awards are not transferable. Awards may be exercised only by:

(i) the Participant to whom the Awards were granted; or

(ii) with the Corporation's prior written approval and subject to such conditions as the Corporation may stipulate, such Participant's family or retirement savings trust or any registered retirement savings plans or registered retirement income funds of which the Participant is and remains the annuitant; or

(iii) upon the Participant's death, by the legal representative of the Participant's estate; or

(iv) upon the Participant's incapacity, the legal representative having authority to deal with the property of the Participant;

(v) provided that any such legal representative shall first deliver evidence satisfactory to the Corporation of entitlement to exercise any Award. A person exercising an Award may subscribe for Shares only in the person's own name or in the person's capacity as a legal representative.

**Section 6.2 General Conditions Applicable to Awards.**

(1) Unless specifically addressed elsewhere in this Plan or in a Grant Agreement, each Award shall be subject to the following conditions:

(a) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for "cause", all unexercised vested and unvested Awards granted to such Participant shall terminate on the effective date of the termination as specified in the notice of termination. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for cause shall be binding on the Participant. "Cause" shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Code of Conduct and any reason determined by the Corporation to be cause for termination.

- (b) **Retirement.** In the case of a Participant's retirement, any unvested Awards held by the Participant as at the Termination Date will be as set forth in the applicable Grant Agreement.
- (c) **Resignation.** In the case of a Participant ceasing to be an Eligible Participant due to such Participant's resignation, subject to any later expiration dates determined by the Board, all Awards shall expire on the earlier of ninety (90) days after the effective date of such resignation, or the expiry date of the Award, to the extent such Awards were vested and exercisable by the Participant on the effective date of such resignation and all unexercised unvested Awards granted to such Participant shall terminate on the effective date of such resignation (other than DSUs which shall be governed by the provisions of Article 4).
- (d) **Termination or Cessation.** In the case of a Participant ceasing to be an Eligible Participant for any reason (other than for "cause", resignation or death) the number of Awards that may vest is subject to proration over the applicable vesting or performance period and shall expire on the earlier of ninety (90) days after the effective date of the Termination Date, or the expiry date of the Awards. For greater certainty, the proration calculation referred to above shall be net of previously vested Awards.
- (e) **Death.** If a Participant dies while in his or her capacity as an Eligible Participant, all unvested Awards will immediately vest and all Awards (other than DSUs which shall be governed by the provisions of Article 4) will expire one hundred eighty (180) calendar days after the death of such Participant.
- (f) **Change in Control.** If a participant is terminated without "cause" or resigns for good reason during the 12 month period following a Change in Control, or after the Corporation has signed a written agreement to effect a change of control but before the change of control is completed, then any unvested Awards will immediately vest and such Awards (other than DSUs which shall be governed by the provisions of Article 4) may be exercised within thirty (30) calendar days of such date.

### **Section 6.3      Unfunded Plan.**

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

## **ARTICLE 7 ADJUSTMENTS AND AMENDMENTS**

### **Section 7.1      Adjustments.**

Subject to any required approval by the Exchange or other applicable regulatory authority, in the case of any merger, amalgamation, arrangement, rights offering, subdivision, consolidation, or reclassification of the Shares or other relevant change in the capitalization of the Corporation, or stock dividend or distribution (excluding dividends or distributions which may be paid in cash or in Shares at the option of the shareholder), or exchange of the Shares for other securities or property, the Corporation shall make appropriate adjustments in the Shares issuable or amounts payable, as the case may be, as determined as appropriate by the Board, to preclude a dilution or enlargement of the benefits hereunder, and any such adjustment (or non-adjustment) by the Corporation shall be conclusive, final and binding upon the Participants. However, no amount will be paid to, or in respect of, the Participants under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

### **Section 7.2      Amendment or Discontinuance of the Plan.**

- (1) The Board may amend the Plan or any Award at any time without the consent of the Participants provided that such amendment shall:



- (a) not adversely alter or impair any Award previously granted except as permitted by the provisions of Article 7 hereof;
- (b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the Exchange; and
- (c) be subject to shareholder approval, where required by law, the requirements of the Exchange or the provisions of the Plan, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:

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- (i) amendments of a general "housekeeping" or clerical nature that among others, clarify, correct or rectify any ambiguity, defective provision, error or omission in the Plan; and
  - (ii) changes that alter, extend or accelerate the terms of vesting or settlement applicable to any Award.
- (2) Notwithstanding Section 7.2(1)(c), the Board shall be required to obtain shareholder approval to make the following amendments:
- (a) any change to the maximum number of Shares issuable from treasury under the Plan, except such increase by operation of Section 2.4 and in the event of an adjustment pursuant to Article 7;
  - (b) any amendment which reduces the exercise price of any Award, as applicable, after such Awards have been granted or any cancellation of an Award and the substitution of that Award by a new Award with a reduced price, except in the case of an adjustment pursuant to Article 7;
  - (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date, except in case of an extension due to a Black-Out Period;
  - (d) any amendment which increases the maximum number of Shares that may be (i) issuable to Insiders under the Plan and any other proposed or established Share Compensation Arrangement; or (ii) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 7; or
  - (e) any amendment to the amendment provisions of the Plan.
- (3) The Board may, by resolution, but subject to applicable regulatory approvals, decide that any of the provisions hereof concerning the effect of termination of the Participant's employment shall not apply for any reason acceptable to the Board.
- (4) The Board may, subject to regulatory approval, discontinue the Plan at any time without the consent of the Participants provided that such discontinuance shall not materially and adversely affect any Awards previously granted to a Participant under the Plan.

### **Section 7.3 Change in Control**

- (1) Notwithstanding anything else in this Plan or any Grant Agreement, the Board has the right to provide for the conversion or exchange of any outstanding Awards into equivalent Awards of substantially equivalent (or greater) value in any entity participating in or resulting from a Change in Control.
- (2) Upon the Corporation entering into an agreement relating to a transaction which, if completed, would result in a Change in Control, or otherwise becoming aware of a pending Change in Control, the Corporation shall give written notice of the proposed Change in Control to the Participants, together with a description of the effect of such Change in Control on outstanding Awards, not less than seven (7) days prior to the dosing of the transaction resulting in the Change in Control.

- (3) The Board may, in its sole discretion, change the Performance Criteria or accelerate the vesting and/or the expiry date of any or all outstanding Awards to provide that, notwithstanding the Performance Criteria and/ or vesting provisions of such Awards or any Grant Agreement, such designated outstanding Awards shall be fully performed and/or vested and conditionally exercisable upon (or prior to) the completion of the Change in Control provided that the Board shall not, in any case, authorize the exercise of Awards pursuant to this Section 7.3(3) beyond the expiry date of the Awards. If the Board elects to change the Performance Criteria or accelerate the vesting and/or the expiry date of the Awards, then if any of such Awards (other than DSUs which shall be governed by the provisions of Article 4) are not exercised or settled within seven (7) days after the Participants are given the notice contemplated in Section 7.3(2) (or such later expiry date as the Board may prescribe), such unexercised or unsettled Awards (other than DSUs which shall be governed by the provisions of Article 4) shall, unless the Board otherwise determines, terminate and expire following the completion of the proposed Change in Control. If, for any reason, the Change in Control does not occur within the contemplated time period, the satisfaction of the Performance Criteria, the acceleration of the vesting and the expiry date of the Awards shall be retracted and vesting shall instead revert to the manner provided in the Grant Agreement.

- (4) To the extent that the Change in Control would also result in a capital reorganization, arrangement, amalgamation or reclassification of the share capital of the Corporation and the Board does not change the Performance Criteria or accelerate the vesting and/or the expiry date of Awards pursuant to Section 7.3(3), the Corporation shall make adequate provisions to ensure that, upon completion of the proposed Change in Control, the number and kind of shares subject to outstanding Awards and/or the Option Price per share of Options shall be appropriately adjusted (including by substituting the Awards for awards to acquire securities in any successor entity to the Corporation) in such manner as the Board considers equitable to prevent substantial dilution or enlargement of the rights granted to Participants. The Board may make changes to the terms of the Awards or the Plan to the extent necessary or desirable to comply with any rules, regulations or policies of any stock exchange on which any securities of the Corporation may be listed, provided that the value of previously granted Awards and the rights of Participants are not materially adversely affected by any such changes.

- (5) Notwithstanding anything else to the contrary herein, in the event of a potential Change in Control, the Board shall have the power, in its sole discretion, to modify the terms of this Plan and/or the Awards (including, for greater certainty, to cause the vesting of all unvested Awards) to assist the Participants to tender into a take-over bid or other transaction leading to a Change in Control. For greater certainty, in the event of a take-over bid or other transaction leading to a Change in Control, the Board shall have the power, in its sole discretion, to permit Participants to conditionally exercise or settle their Awards (other than DSUs which shall be governed by the provisions of Article 4), such conditional exercise or settlement to be conditional upon the take-up by such offer or of the Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change in Control). If, however, the potential Change in Control referred to in this Section 7.3(5) is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 7.3(5) or the definition of "**Change in Control**": (i) any conditional exercise or settlement of vested Awards shall be deemed to be null, void and of no effect, and such conditionally exercised Awards shall for all purposes be deemed not to have been exercised, (ii) Shares which were issued pursuant to the exercise or settlement of Awards which vested pursuant to this Section 7.3 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Awards which vested pursuant to this Section 7.3 shall be reinstated.

## ARTICLE 8 MISCELLANEOUS

### **Section 8.1 Use of an Administrative Agent and Trustee.**

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

### **Section 8.2 Tax Withholding.**

Notwithstanding any other provision of this Plan, all distributions, issuances or delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable



tax withholdings and other source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 8.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.

### **Section 8.3 Reorganization of the Corporation.**

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

### **Section 8.4 Governing Laws.**

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

### **Section 8.5 Severability.**

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

### **Section 8.6 Required Delay for Certain U.S. Participants**

Notwithstanding any provision of the Plan to the contrary, solely to the extent required to avoid accelerated taxation and tax penalties under Section 409A of the Code, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to the Plan to U.S. Participants during the six (6)-month period immediately following the Grantee's "separation from service" within the meaning of Section 409A of the Code will instead be paid on the first payroll date after the six (6)-month anniversary of the U.S. Participant's separation from service (or death, if earlier).

### **Section 8.7 Effective Date of the Plan.**

The Plan was approved by the Board and shall take effect on February 15, 2018, as amended by Board approval April 8, 2019 and May 14, 2021

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## **APPENDIX A – FORM OF OPTION AGREEMENT**

### **FORM OF OPTION AGREEMENT**

#### **HUT 8 MINING CORP.**

#### **OPTION AGREEMENT**

This Stock Option Agreement (the "**Option Agreement**") is entered into between Hut 8 Mining Corp. (the "**Corporation**"), and the optionee named below (the "**Optionee**"), a [Canadian Participant/U.S Participant/ Canadian and U.S. Participant], pursuant to and

on the terms and subject to the conditions of the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this Option Agreement shall have the meanings set forth in the Plan.

The terms of the option (the "**Option**"), in addition to those terms set forth in the Plan, are as follows:

1. **Optionee.** The Optionee is ● and the address of the Optionee is currently ●.
2. **Number of Shares.** The Optionee may purchase up to ● Shares of the Corporation (the "**Option Shares**") pursuant to this Option, as and to the extent that the Option vests and becomes exercisable as set forth in section 6 of this Option Agreement.
3. **Option Price.** The exercise price is Cdn \$● per Option Share (the "**Option Price**").
4. **Date Option Granted.** The Option was granted on ●.
5. **Term of Option.** The Option terminates on ●. (the "**Expiry Date**").
6. **Vesting.** The Option to purchase Option Shares shall vest and become exercisable as follows: ●  
**Exercise of Options.** In order to exercise the Option, the Optionee shall notify the Corporation in the form annexed hereto as SCHEDULE A, whereupon the Corporation shall use reasonable efforts to cause the Optionee to receive a certificate representing the relevant number of fully paid and non-assessable Shares in the Corporation. To the extent the Participant is entitled to a Cashless Exercise Right in respect of all or any portion of the Options granted pursuant to this Option Agreement, such Cashless Exercise Right shall be exercisable only by delivery to the Corporation of a duly completed and executed Exercise Notice specifying the Participant's intention to surrender such Options to the Corporation pursuant to such Cashless Exercise Right, together with payment of any withholding taxes as required by the Corporation. Any such payment to the Corporation shall be made by certified cheque or wire transfer in readily available funds.
7. **Transfer of Option.** The Option is not-transferable or assignable.
8. **Inconsistency.** This Option Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this Option Agreement and the Plan, the terms of the Plan shall govern.
9. **Severability.** Wherever possible, each provision of this Option Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Option Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Option Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
- 10.

11. **Entire Agreement.** This Option Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
12. **Successors and Assigns.** This Option Agreement shall bind and enure to the benefit of the Optionee and the Corporation and their respective successors and permitted assigns.
13. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.
14. **Governing Law.** This Agreement and the Option shall be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
15. **Counterparts.** This Option Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this Agreement, the Optionee acknowledges that the Optionee has been provided a copy of and has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereof have executed this Option Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**HUT 8 MINING CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Witness

\_\_\_\_\_  
[Insert Participant's Name]

**SCHEDULE A**

**ELECTION TO EXERCISE STOCK OPTIONS**

**TO: HUT 8 MINING CORP. (the "Corporation")**

The undersigned Optionee, a [Canadian Participant/U.S Participant/ Canadian and U.S. Participant], hereby elects to exercise Options granted by the Corporation to the undersigned pursuant to a Grant Agreement dated \_\_\_\_\_, 20\_\_ under the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"), for the number Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

Number of Shares to be Acquired: \_\_\_\_\_

Option Price (per Share): \$ \_\_\_\_\_

Aggregate Purchase Price: \$ \_\_\_\_\_

Amount enclosed that is payable on account of any source deductions relating to this Option exercise (contact the Corporation for details of such amount): \_\_\_\_\_

Or check here if alternative arrangements have been made with the Corporation;

and hereby tenders a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate purchase price, and, if applicable, any applicable tax withholding or source deduction amounts, and directs such Shares to be registered in the name of \_\_\_\_\_.

- OR -

<input type="checkbox"/>	The undersigned irrevocably gives notice of the Participant's intention to surrender to the Corporation _____ Options held by the Participant pursuant to the Option Agreement in accordance with the Cashless Exercise Right (as defined in
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the Plan) granted in respect of such Options, and agrees to receive, in consideration for the surrender of such Options to the Corporation, that number of whole Shares (disregarding fractional shares) equal to the following:

$$\frac{((A - B) \times C)}{A}$$

where: A is the Market Value (as defined in the Plan) of a Share on determined as of the date this Exercise Notice is received by the Company; B is the Option Price; and C is the number of Options in respect of which such Cashless Exercise Right is being exercised.

Witness

[Insert Participant's Name]

## APPENDIX B – FORM OF DSU AGREEMENT

### FORM OF DSU AGREEMENT

#### HUT 8 MINING CORP.

#### DEFERRED SHARE UNIT AGREEMENT

**Name:** [name of DSU Participant] , a [Canadian Participant/U.S Participant/ Canadian and U.S. Participant],

**Award Date** [insert date]

Hut 8 Mining Corp. (the "**Corporation**") has adopted the Omnibus Long Term Incentive Plan (the "**Plan**"). Your award is governed in all respects by the terms of the Plan, and the provisions of the Plan are hereby incorporated by reference. For greater certainty, the provisions set out in Article 4 and Article 6 of the Plan applicable to DSUs shall be deemed to form part of this DSU Agreement mutatis mutandis. Capitalized terms used and not otherwise defined in this DSU Agreement shall have the meanings set forth in the Plan. If there is a conflict between the terms of this DSU Agreement and the Plan, the terms of the Plan shall govern.

**Your Award:** The Corporation hereby grants to you • DSUs.

#### PLEASE SIGN AND RETURN A COPY OF THIS DSU AGREEMENT TO THE CORPORATION.

By your signature below, you acknowledge that you have received a copy of the Plan and have reviewed, considered and agreed to the terms of this DSU Agreement and the Plan.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

On behalf of the Corporation:

**HUT 8 MINING CORP.**

By: \_\_\_\_\_

Name:

Title:

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**APPENDIX C – BOARD RETAINER DSU ELECTION NOTICE**

**To: Hut 8 Mining Corp. (the "Corporation")**

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

Pursuant to the Omnibus Long Term Incentive Plan of the Corporation. (the "**Plan**"), I hereby elect that \_\_\_\_\_% of my Annual Board Retainer shall be satisfied in the form of Deferred Share Units ("**DSUs**").

I confirm that:

(a) I have received and reviewed a copy of the terms of the Plan and have reviewed, considered and agreed to be bound by the terms of this Election Notice and the Plan.

(b) I recognize that when DSUs are settled in accordance with the terms of the Plan, income tax and other withholdings as required will arise at that time. Upon settlement of the DSUs, the Corporation will make or arrange with me to make all appropriate withholdings as required by law at that time.

(c) The value of DSUs is based on the value of the Shares of the Corporation and therefore is not guaranteed.

(d) I am a [**Canadian Participant/U.S Participant/ Canadian and U.S. Participant**].

The foregoing is only a brief outline of certain key provisions of the Plan. For more complete information, reference should be made to the Plan.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Name of Participant)

\_\_\_\_\_  
(Signature of Participant)

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**APPENDIX D – FORM OF RSU AGREEMENT**

**FORM OF RSU AGREEMENT**

**HUT 8 MINING CORP.**

**RESTRICTED SHARE UNIT AGREEMENT**

This restricted share unit agreement ("**RSU Agreement**") is entered into between Hut 8 Mining Corp. (the "**Corporation**") and the Participant named below (the "**Recipient**"), a [**Canadian Participant/U.S Participant/ Canadian and U.S. Participant**], of the restricted share units ("**RSUs**") pursuant to the Corporation's Omnibus Long-Term Incentive Plan (the "**Plan**"). Capitalized terms used and not otherwise defined in this RSU Agreement shall have the meanings set forth in the Plan.

The terms of the RSUs, in addition to those terms set forth in the Plan, are as follows:

1. **Recipient.** The Recipient is • and the address of the Recipient is currently •.
2. **Grant of RSUs.** The Recipient is hereby granted • RSUs.
3. **Restriction Period.** In accordance with Section 5.3 of the Plan, the restriction period in respect of the RSUs granted hereunder, as determined by the Board, shall commence on • and terminate on•.
4. **Performance Criteria.** •.
5. **Performance Period.** • .
6. **Vesting.** The RSUs will vest as follows:
  - .
7. **Transfer of RSUs.** The RSUs granted hereunder are not-transferable or assignable except in accordance with the Plan.
8. **Inconsistency.** This RSU Agreement is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of this RSU Agreement and the Plan, the terms of the Plan shall govern.

**Severability.** Wherever possible, each provision of this RSU Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this RSU Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but th.is RSU Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
9. **Entire Agreement.** This RSU Agreement and the Plan embody the entire agreement and understanding among the parties and supersede and pre-empt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.
10. **Successors and Assigns.** This RSU Agreement shall bind and enure to the benefit of the Recipient and the Corporation and their respective successors and permitted assigns.
11. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof.

13. **Governing Law.** This RSU Agreement and the RSUs shall be governed by and interpreted and enforced in accordance with the laws of the Province of BC and the federal laws of Canada applicable therein.
14. **Counterparts.** This RSU Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

By signing this RSU Agreement, the Participant acknowledges that he or she has been provided with, has read and understands the Plan and this RSU Agreement.

IN WITNESS WHEREOF the parties hereof have executed this RSU Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**HUT 8 MINING CORP.**

By: \_\_\_\_\_  
Name:  
Title:

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Witness

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**[Insert Participant's Name]**

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**HUT 8 MINING CORP.**

**EMPLOYEE SHARE PURCHASE PLAN**

**1. Purpose of the Plan**

- 1.1 The purpose of the Plan is to encourage Employees of the Corporation and its Subsidiaries to participate in the growth and development of the Corporation and its Subsidiaries by providing such persons with the opportunity, through share purchases, to acquire an increased proprietary interest in the Corporation.

**2. Definitions**

- 2.1 Where used herein, the following terms shall have the following meanings, respectively, unless the context otherwise requires:
- (a) "**Administrative Agent**" means the administrative agent appointed by the Corporation under this Agreement, initially being Computershare Trust Company of Canada;
  - (b) "**Associate**" has the meaning ascribed thereto in Subsection 1(1) of the *Securities Act* (Ontario) (as amended from time to time);
  - (c) "**Blackout Period**" means a "Blackout Period" contemplated in the Insider Trading Policy, which, for the sake of clarity, will include both quarterly Blackout Periods and other non-scheduled Blackout Periods, as determined by the Corporation from time to time;
  - (d) "**Board**" means the board of directors of the Corporation;
  - (e) "**Business Day**" means any day on which the Exchange is open for business;
  - (f) "**Calendar Year**" means a period of twelve consecutive months ending on December 31<sup>st</sup> of each year;
  - (g) "**Contribution Period**" means the period beginning on any Purchase Date (or upon initial enrollment in the Plan) and ending on the day preceding the next Purchase Date, with the duration of such period to be determined, from time to time, between the Corporation and the Administrative Agent and communicated to Participating Employees upon enrollment in the Plan or upon any changes thereto;
  - (h) "**Corporation**" means Hut 8 Mining Corp. and any successor or continuing corporation resulting from the amalgamation of the Corporation and any other corporation, or resulting from any other form of corporate reorganization;
  - (i) "**Earnings**" means the basic salary or compensation received by an Employee, including overtime pay, before payroll deductions for taxes or other applicable withholdings, but does not include any cash bonus, profit sharing, incentive pay, shift premiums, commissions, allowances, equity-based incentives, or other special compensation payments;

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- (j) "**Employee**" means a full-time or part-time employee of the Corporation or its Subsidiaries who has made or is entitled to make contributions to the Plan in accordance with the provisions of the Plan;
- (k) "**Employee Shares**" means any Shares purchased by the Administrative Agent and held by the Administrative Agent or Trustee, as applicable, on behalf of the Participating Employee in accordance with the terms of the Plan, and includes



any shares or securities of the Corporation into which such shares are changed, classified, reclassified, subdivided, consolidated or converted;

- (l) **"Employer Contributions"** means contributions made by the Corporation or a Subsidiary for the benefit of a Participating Employee under this Plan, and for greater certainty, any Employer Contributions made hereunder shall be made by the entity (which may be the Corporation or a Subsidiary) which is the employer of the Participating Employee at the time of such Employer Contribution;
- (m) **"Exchange"** means The Toronto Stock Exchange;
- (n) **"Group RRSP"** means the Group RRSP, if established by the Corporation, as sponsor, and the RRSP Trustee, as trustee, pursuant to which RRSP Accounts are maintained, on the instructions of individual Participating Employees in accordance with Section 4;
- (o) **"Group TFSA"** means the Group TFSA, if established by the Corporation, as sponsor, and the TFSA Trustee, as trustee, pursuant to which TFSA Accounts are maintained, on the instructions of individual Participating Employees in accordance with Section 4;
- (p) **"Insider"** means a "reporting insider" as that term is defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions* and includes associates and affiliates (as such terms are defined in Part 1 of the Toronto Stock Exchange Company Manual) of such "reporting insider";
- (q) **"Insider Trading Policy"** means the Corporation's Insider Trading Policy dated March 5, 2018 (as it may be amended or supplemented from time to time);
- (r) **"Market Price"** the VWAP on the Exchange for the five trading days immediately preceding the date on which Shares are purchased hereunder;
- (s) **"Personal Account"** means the account maintained for record keeping purposes by the Administrative Agent in the name of a Participating Employee for Employer Contributions and Personal Contributions in respect of such Participating Employee, and which may be comprised of one or more of an RRSP Account, a TFSA Account, and a standard Personal Account;
- (t) **"Personal Contributions"** means the contributions made by a Participating Employee under this Plan;
- (u) **"Participating Employee"** means any Employee who has elected to participate in the Plan in the manner provided in Section 4;
- (v) **"Plan"** means this "Employee Share Purchase Plan", as amended, restated or supplemented from time to time;

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- (w) **"Purchase Date"** means the applicable date that the Administrative Agent purchases Shares in accordance with Section 8.3;
- (x) **"Qualified Investment"** means any property which is a "qualified investment", within the meaning of the Tax Act, for trusts governed by an RRSP or a TFSA;
- (y) **"RRSP"** means a trust governed by a registered retirement savings plan established under the Tax Act;
- (z) **"RRSP Account"** means an account of a Participating Employee in the Group RRSP, if such Group RRSP is established, which tracks all of the Participating Employee's Personal Contributions and Employer Contributions made by or for the benefit of such Participating Employee to his or her account in the Group RRSP, and Shares purchased within such account;

- (aa) **"RRSP Trustee"** means such trust company as may from time to time be appointed by the Board to act as trustee for the Group RRSP, if such Group RRSP is established;
- (bb) **"Share"** or **"Shares"** means, as the case may be, one or more common shares of the Corporation;
- (cc) **"Share Compensation Arrangement"** means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, directors, officers, insiders, service providers or consultants of the Corporation or a Subsidiary including a share purchase from treasury by a full-time employee, director, officer, insider, service provider or consultant which is financially assisted by the Corporation or an affiliate by way of a loan, guarantee or otherwise;
- (dd) **"Subsidiary"** means with respect to any person, an entity which is controlled by such person; when used without reference to a particular person, "subsidiary" means a subsidiary of the Corporation;
- (ee) **"Tax Act"** means the *Income Tax Act* (Canada), including the regulations promulgated thereunder, each as amended from time to time, and any reference in the Plan to a provision of the Tax Act includes any successor provision thereto;
- (ff) **"TFSA"** means a trust governed by a tax-free savings account established under the Tax Act;
- (gg) **"TFSA Account"** means an account of a Participating Employee in the Group TFSA, if such Group TFSA is established, which tracks all of the Participating Employee's Personal Contributions and Employer Contributions made by or for the benefit of such Participating Employee to his or her account in the Group TFSA, and Shares purchased within such account;
- (hh) **"TFSA Trustee"** means such trust company as may from time to time be appointed by the Board to act as trustee for the Group TFSA, if such Group TFSA is established;
- (ii) **"Trustee"** means, as the context requires, the RRSP Trustee or the TFSA Trustee, as applicable;

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- (jj) **"Undisclosed Material Information"** means any material information, as defined in the Insider Trading Policy that has not been publicly disseminated by the Corporation;
- (kk) **"U.S. Taxpayer"** means any Participating Employee who is subject to tax under the provisions of the United States Internal Revenue Code of 1986, as amended, in respect of their participation in this Plan; and
- (ll) **"VWAP"** means volume weighted average trading price.

### 3. Shares Subject to the Plan

- 3.1 Shares shall be purchased from treasury by the Administrative Agent on behalf of and as agent of the Participating Employees in accordance with the terms of the Plan. The aggregate number of Shares reserved for issuance under the Plan and all other Share Compensation Arrangements of the Corporation shall not exceed 10% of the issued Shares outstanding from time to time.
- 3.2 No Shares shall be purchased on behalf of a Participating Employee under the Plan if such purchase could result in:
- (a) the issuance to Insiders under this Plan and all other Share Compensation Arrangements of the Corporation, within a one-year period, of a number of Shares exceeding 10% of the issued and outstanding Shares of the Corporation, from time to time;
- (b) at any time, Shares issuable to Insiders under this Plan and all other Share Compensation Arrangements of the Corporation, of a number exceeding 10% of the issued and outstanding Shares of the Corporation, from time to time;

- (c) the issuance to any one person under this Plan and all other Share Compensation Arrangements of the Corporation, within a one- year period, of a number of Shares exceeding 5% of the issued and outstanding Shares of the Corporation, from time to time;
- (d) such Participating Employee beneficially owning greater than 5% of the issued and outstanding Shares of the Corporation.

#### 4. Eligibility and Enrolment

4.1 Any Employee who has been employed by the Corporation and/or any Subsidiary on a continuous basis for not less than six consecutive months and who beneficially owns less than 5% of the issued and outstanding Shares may elect to participate in the Plan by signing and delivering to the Corporation an election to participate in the Plan, which election shall:

- (a) indicate the amount of the Employee's contribution to the Plan, in dollars or percentage of Earnings, and authorize the deduction of such amount from his or her Earnings and the transfer of such amount to the Administrative Agent to be used to purchase Shares on his or her behalf;
- (b) specify what portion of such Employee's contributions are to be allocated to his or her standard Personal Account or, if applicable RRSP Account or TFSA Account; and
- (c) contain the agreement of such Employee to be bound by the terms of the Plan.

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4.2 A Participating Employee who is a Canadian resident for purposes of the Tax Act may elect for all or a portion of his or her Personal Contributions and Employer Contributions to be made to: (i) if the Corporation has established a Group RRSP, an RRSP Account within the Group RRSP, or (ii) if the Corporation has established a Group TFSA, and provided that the Participating Employee is not a U.S. Taxpayer, a TFSA Account within the Group TFSA, by filing with the Administrative Agent a completed application for an RRSP Account or a TFSA Account in the applicable form prescribed by the Corporation and indicating the portion of the Participating Employee's Personal Contributions or Employer Contributions to be allocated to his or her RRSP Account or TFSA Account, as applicable, with any such funds being treated, for purposes of the Tax Act, as a contribution to the RRSP or TFSA, as applicable. In the event that a Participating Employee wishes to transfer any Shares previously acquired with Personal Contributions or Employer Contributions pursuant to the Plan into an RRSP Account or TFSA Account, if any, he or she may do so by giving the applicable notice in the form prescribed by the Corporation and authorizing the Administrative Agent to transfer the specified number of Shares into the Group RRSP or Group TFSA, as applicable, which such transfer being treated, for the purposes of the Tax Act, as a contribution by such Participating Employee to such RRSP or TFSA.

4.3 Subject to the provisions of Article 9, all funds and Shares held by the Administrative Agent or Trustee, as applicable, pursuant to the Plan are held on behalf of the individual Participating Employees. Subject to the immediately following sentence, a Participating Employee shall be the beneficial owner of all Personal Contributions, Employer Contributions, and Shares purchased on his or her behalf. All Personal Contributions, Employer Contributions, and Shares held by the RRSP Trustee pursuant to the Group RRSP or by the TFSA Trustee pursuant to the Group TFSA, as applicable, are held in trust for the account of the respective individual RRSP Accounts or TFSA Accounts, as applicable, in the Group RRSP or Group TFSA, as applicable. Any Shares purchased with a Participating Employee's Personal Contributions or Employer Contributions made for the benefit of a Participating Employee to the Participating Employee's RRSP Account or the Participating Employee's TFSA Account, as applicable, are immediately vested in and become the property of such Participating Employee's RRSP or TFSA, as applicable, and shall be subject to the terms of the Group RRSP or Group TFSA, as applicable, and applicable law including the Tax Act.

4.4 For greater certainty, notwithstanding any provision of the Plan, the Corporation shall not be under any obligation to establish, or continue if already established, a Group RRSP or a Group TFSA. If such Group RRSP or Group TFSA is not in operation at the time a Participating Employee elects to participate pursuant to Section 4.1, all of such Participating Employee's Personal Contributions and Employer Contributions shall be made solely to his or her standard Personal Account which is not an RRSP or a TFSA.

By electing to participate through an RRSP Account or a TFSA Account, if applicable, a Participating Employee acknowledges that such accounts are subject to the provisions of the Tax Act, including, without limitation, contribution limits and rules relating to prohibited investments for an RRSP or TFSA. Each Participating Employee further acknowledges that participation through an RRSP Account or TFSA Account by a U.S. Taxpayer may have adverse tax implications in the United States. It is the sole responsibility of each Participating Employee to seek tax advice in their own circumstances, to ensure that he or she does not over-contribute (including, without limitation, by virtue of Personal Contributions and Employer Contributions), and that any investment therein, including in Shares, does not constitute a "prohibited investment" (within the meaning of the Tax Act) for, or give rise to an "advantage" (within the meaning of the Tax Act) to, the RRSP or TFSA, as applicable. None of the Corporation, any Subsidiary, the Administrative Agent or the Trustee shall be liable for any tax or other liability which may arise as a result of any Participating Employee's participation in an RRSP or TFSA, over-contribution to an RRSP or TFSA or acquisition of a prohibited investment in an RRSP Account or TFSA Account.

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4.6 No Participating Employee is eligible to hold any part of the Shares acquired through Personal Contributions or Employer Contributions in a 401 (k) plan.

4.7 Employees of a Subsidiary of the Corporation may participate as Participating Employees in the Plan only if the Corporation has previously approved the inclusion of such Subsidiary's employees in the Plan, including any applicable cost-sharing arrangements or other arrangements to satisfy transfer pricing principles.

## 5. Employee Contributions

5.1 In each Calendar Year, a Participating Employee may make a Personal Contribution to the Plan in an amount up to (but not exceeding) 10% of the Earnings received by such Employee from the Corporation and/or its Subsidiaries in the previous Calendar Year (or the annualized Earnings if the Participating Employee was not an Employee of the Corporation or its Subsidiaries for the entire previous Calendar Year). This specified rate of Personal Contribution filed by a Participating Employee at the time of election of participation in the Plan shall remain in effect until changed pursuant to Section 5.2.

5.2 Once making Personal Contributions to the Plan, a Participating Employee may change the amount of his or her Personal Contributions no more than twice annually by giving notice to the Corporation in the form prescribed by the Corporation. All requested changes in Personal Contributions will be effective as of the first Contribution Period occurring after notice is received provided the notice is received 15 days prior to the next Contribution Period. This notice may not be given at any time that a Participating Employee is aware of any Undisclosed Material Information at the time of such notice and may not be given during a Blackout Period if the Participating Employee is subject to the Insider Trading Policy.

5.3 Personal Contributions to the Plan will be made through payroll deductions. The Corporation shall provide the Administrative Agent with a file listing each Participating Employee's respective contributions.

5.4 A Participating Employee who participates in the Plan via an RRSP or TFSA may voluntarily elect to suspend participation in the Plan by providing instructions directing the Corporation to cease or cause to be ceased, the making of the Participating Employee's Personal Contributions for the remainder of a Calendar Year if and when the RRSP contribution maximum or TFSA contribution maximum, as applicable, is reached during a particular Calendar Year as follows:

(a) Notice of such instructions must be received by the Corporation from the Participating Employee, in the form prescribed by the Corporation, at least 15 days prior to the next Contribution Period in which the instructions are to be applied.

(b) The Participating Employee must confirm that he or she is not aware of any Undisclosed Material Information at the time of giving such instructions and such instructions may not be given during a Blackout Period. If such confirmation cannot be made, the Participating Employee shall be required to direct the Corporation to make all of the Participating Employee's Personal Contributions for the remainder of the Calendar Year to the Participating Employee's Personal Account.

Instructions given pursuant to this section will apply until the Participating Employee provides notice to the Corporation that he or she wishes to revoke such instructions. Under this suspension arrangement, Participating Employees will be responsible for notifying the Administrative Agent they wish to resume contributions in the following Calendar Year by giving notice in the form prescribed by the Corporation.

5.5 A Participating Employee may voluntarily suspend his or her Personal Contributions at any time that they wish to temporarily cease participating in the Plan, no more than twice annually, by giving notice in the form prescribed by the Corporation, to the Corporation. This notice will be effective as of the next Contribution Period following the date of notice, provided notice is given 15 days prior to the commencement of the next Contribution Period. This notice may not be given at any time that a Participating Employee is aware of any Undisclosed Material Information at the time of such notice and may not be given during a Blackout Period if the Participating Employee is subject to the Insider Trading Policy.

5.6 A Participating Employee who voluntarily suspends his or her Personal Contributions pursuant to Section 5.5 above, may resume his or her Personal Contributions by giving notice in the form prescribed by the Corporation, to the Corporation. Participating Employees will be eligible to resume making Personal Contributions effective as of the first Contribution Period provided that a Participating Employee provides at least 15 days prior notice to the Corporation of their intention to resume making Personal Contributions. The Participating Employee must confirm that he or she is not aware of any Undisclosed Material Information at the time of giving such notice and if the Participating Employee is, subject to the Insider Trading Policy, such notice may not be given during a Blackout Period.

5.7 During any period of suspension, Personal Contributions shall not be accumulated or carried forward for later payment. A Participating Employee shall continue to be a member of the Plan, the Group RRSP and the Group TFSA, as applicable, for all purposes other than the making of Personal Contributions until that Participating Employee resumes his or her Personal Contributions pursuant to Sections 5.4 or 5.6, is terminated from the Plan pursuant to Article 12 or terminates his or her participation in the Plan pursuant to Article 13.

5.8 For greater certainty, notwithstanding anything else in this Plan, at the time of providing any notice or instructions that will initiate or change Personal Contribution amounts pursuant to this Article 5, a Participating Employee must confirm that he or she is not aware of any Undisclosed Material Information at the time of giving such instructions and such instructions may not be given during a Blackout Period if such Employee is subject to the Insider Trading Policy.

## 6. Accounts

6.1 The Corporation may, at its sole discretion, establish for the purposes of the Plan, a Group RRSP and/or a Group TFSA, on a registered basis pursuant to the Tax Act. At all times that the Shares are Qualified Investments, investments of the Group RRSP, if established, or the Group TFSA, if established, shall be restricted to Shares. If, at any time, the Shares are not Qualified Investments, the Trustee may make investments with funds in the Group RRSP, if established, or the Group TFSA, if established, as applicable, in any manner permitted by applicable law.

6.2 The Administrative Agent shall establish, as applicable, a standard Personal Account, an RRSP Account and a TFSA Account for each Participating Employee and shall record in each standard Personal Account, RRSP Account and TFSA Account, as applicable, the amount of all Personal Contributions made by the Participating Employee and all Employer Contributions made on behalf of the Participating Employee, the number of Shares purchased for the standard Personal Account, RRSP Account and TFSA Account, with Personal Contributions, the number of Employee Shares purchased with Employer Contributions and the amount of any Employee-related expenses allocated to such standard Personal Account, RRSP Account and TFSA Account, as applicable.

6.3 Employee Shares will be posted to a Participating Employee's account on a full and fractional share basis. Notwithstanding the foregoing, when a Participating Employee withdraws Employee Shares from his or her Personal Account, RRSP Account or

TFSA Account, no fractional Employee Shares shall be distributed by the Administrative Agent or Trustee, as applicable, to such Participating Employee and such Participating Employee shall receive cash in lieu of such fractional Employee Share, if any.

6.4 The Administrative Agent will provide monthly reconciliation reports and/or online access to plan records to the Corporation which provide details of the holdings and activity in each Participating Employee's Personal Account, as well as the total number of Participating Employees, total Plan holdings, and other regular summary detail as may reasonably be required by the Corporation and agreed to by the Administrative Agent.

6.5 As promptly as practicable after the end of each month, the Administrative Agent will mail or deliver a statement to each Participating Employee setting out the accounts of such Participating Employee as of the end of such month.

6.6 A Participating Employee may make withdrawals of Employee Shares from his or her Personal Account, RRSP Account and TFSA Account, as applicable, only as set out in this Article 6.

6.7 Subject to applicable holding periods required by Article 9, a Participating Employee may, in accordance with Section 6.8, request that all or a portion of the Employee Shares in that Participating Employee's standard Personal Account, RRSP Account and TFSA Account, as applicable, that were purchased from a Participating Employee's Personal Contributions and/or Participating Employee's Employer Contributions be transferred to his or her name, or an external account in his or her name, or be sold or, where the Participating Employee holds Shares in the Group RRSP, if established, or the Group TFSA, if established, as applicable, that all or a portion of the Employee Shares in that Participating Employee's RRSP or TFSA, as applicable, be transferred to, be sold and the proceeds transferred to another RRSP or TFSA, as applicable, in the Participating Employee's name, or be sold and the proceeds, net of withholding tax, be remitted to the Participating Employee. Any fractional Employee Shares credited to the Participating Employee's Personal Account, RRSP Account or TFSA Account, as applicable, shall be disregarded on any sale or transfer and the Participating Employee shall be entitled to receive the cash equivalent thereof. All such withdrawals from an RRSP Account or TFSA Account, if any, shall be reported by the RRSP Trustee or TFSA Trustee, as applicable, as a distribution from an RRSP or TFSA, as applicable.

6.8 A Participating Employee shall give the Administrative Agent or Trustee, as the case may be, notice in the form prescribed by the Corporation of any instructions for sale or transfer of Employee Shares pursuant to Section 6.7. The Participating Employee must confirm that he or she is not aware of any Undisclosed Material Information at the time of giving such notice and such notice may not be given during a Blackout Period.

6.9 Upon receiving such notice from the Participating Employee, the Administrative Agent shall sell the specified number of Employee Shares and or transfer them to the other designated RRSP or TFSA, as applicable, as soon as practicable. The net proceeds of any sale (net of any applicable withholding taxes) will be transferred as soon as practicable to the Participating Employee or such personal bank or brokerage account as the Participating Employee may designate.

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## 7. Employer Contributions

7.1 The Corporation or the applicable Subsidiary will make Employer Contributions to the Plan as follows:

(a) where a Participating Employee has made a Personal Contribution, an Employer Contribution for the benefit of that Participating Employee shall be made in an amount equal to 15% of the Participating Employee's Personal Contribution during the relevant Contribution Period.

7.2 Employer Contributions referred to in Subsection 7.1(a) will be made every Contribution Period as follows:

(a) All Employer Contributions shall constitute a payment of salary to the applicable Participating Employee and transferred to the Administrative Agent at the direction of such Participating Employee;

(b) Employer Contributions made with regard to Personal Contributions to the Participating Employee's RRSP Account, if any, will be allocated to the Participating Employee's RRSP Account;



- (c) Employer Contributions made with regard to Personal Contributions to the Participating Employee's TFSA Account, if any, will be allocated to the Participating Employee's TFSA Account; and
- (d) Employer Contributions not made to the Participating Employee's RRSP Account or TFSA Account will be allocated to the non-RRSP and non-TFSA component of the Participating Employee's Personal Account.

7.3 It is a term and condition of the Corporation (or any Subsidiary making the Employer Contributions, as the case may be) that the Employer Contributions shall, except for purposes of the Tax Act, not be considered as salary compensation paid to an Employee for the purposes of calculating salary in lieu of notice upon termination of employment of an Employee. For greater certainty, the Employer Contributions will be treated as a taxable benefit for Employees pursuant to applicable income tax rules.

## 8. Acquisition of Shares; Necessary Approvals; Withholding Taxes

8.1 On the last day of each Contribution Period, the Corporation or the applicable Subsidiary shall deposit with the Administrative Agent the amount of all Personal Contributions and all Employer Contributions for that period, and shall advise the Administrative Agent of the Personal Contributions received from each Participating Employee and the amount of Employer Contributions made on behalf of each Participating Employee.

8.2 Upon receipt of the funds and the information outlined in Section 8.1, the Administrative Agent shall record in each Participating Employee's Personal Account, RRSP Account and TFSA Account, as applicable, the amount of that Participating Employee's Personal Contributions and the amount of any Employer Contributions made on behalf of that Participating Employee.

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8.3 As soon as practicable after the receipt of the Personal Contributions and Employer Contributions described in Section 8.1, the Administrative Agent, on behalf of each Participating Employee, shall subscribe for and purchase from the Corporation at Market Price such whole number of Shares as may be purchased with the aggregate amount of the Employee Contributions and the Employer Contributions, as well as all cash dividends paid on the Employee Shares held on record by the Administrative Agent, or Trustee, as the case may be, on behalf of such Participating Employee, with each such date of subscription being a "**Purchase Date**"). Each Participating Employee shall thereupon acquire ownership (either directly or through an RRSP Account or TFSA Account, as applicable) in the Shares purchased by the Administrative Agent in proportion to his or her Personal Contributions and Employer Contributions made on his or her behalf during the preceding Contribution Period. The Administrative Agent shall allocate the Employee Shares purchased on each Purchase Date on behalf of the Participating Employees, on a full and fractional Share basis, as appropriate, to the Personal Account, RRSP Account and TFSA Account, if applicable, of each Participating Employee in proportion to the Personal Contributions and Employer Contributions made on behalf of that Participating Employee.

8.4 The obligation of the Corporation to issue and deliver any Shares in accordance with this Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Corporation, including the Exchange. If any Shares cannot be issued to any Participating Employee for whatever reason, then the obligation of the Corporation to issue such Shares shall terminate and any Personal Contributions and Employer Contributions held in trust for a Participating Employee shall be returned to the Participating Employee without interest.

8.5 The tax ramifications for Participating Employees participating in this Plan will depend on a number of factors. Participating Employees should note that income tax laws are subject to change and such changes may affect the tax treatment of this Plan and the Participating Employee's individual tax treatment. Participating Employees should consult their tax advisors to determine their individual tax treatment in connection with their participation in this Plan. The Corporation or any applicable Subsidiary may withhold appropriate income taxes and other required withholdings on the basis of each Participating Employee's actual salary and Shares issued under this Plan.

## 9. Hold Period

9.1 The Board may make any Shares issued to Participating Employees under this Plan subject to any hold period as deemed appropriate or as required under applicable securities laws.

9.2 The Shares issuable under this Plan shall only be issued where: (i) an exemption is available from the prospectus requirement to a distribution pursuant to section 2.24 of NI 45-106, and (ii) the Participating Employee establishes that the conditions in subsection 2.6(3) of National Instrument 45-102 – *Prospectus Exempt Distributions* are satisfied.

## 10. Shares;

10.1 Shares purchased by the Administrative Agent under this Plan shall be registered in the name of the Administrative Agent or Trustee, as the case may be, or such other name as the Administrative Agent or Trustee, as the case may be, determines, and held on behalf of the respective Participating Employees.

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10.2 The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

10.3 If the Corporation becomes aware that the Shares do not constitute Qualified Investments, it shall contact the Administrative Agent and Trustees immediately and advise the Administrative Agent and Trustees not to acquire Shares for RRSP Accounts or TFSA Accounts, if any.

## 11. Dividends; Offers to Purchase; Changes

11.1 The Administrative Agent or Trustee shall reinvest all cash dividends and other cash distributions received by it in respect of the Employee Shares held by it on behalf of any Participating Employee and purchase additional Shares at the next Purchase Date after receiving same.

11.2 For so long as the Administrative Agent or the Trustee, as applicable, is the registered holder of any Employee Shares, then:

(a) in the event that, at any time, an offer to purchase is made to all holders of the Shares, notice of such offer shall be given by the Administrative Agent to each Participating Employee and, notwithstanding the provisions of Section 9.1, any Employee Shares which are still subject to a hold period shall be deemed to be no longer subject to a hold period to the extent necessary to enable a Participating Employee to tender his or her Employee Shares should he or she so desire;

(b) in the event that the Shares are subdivided, consolidated, converted or reclassified by the Corporation, or any action of a similar nature affecting the Shares shall be taken by the Corporation, then the Employee Shares held by the Administrative Agent or the Trustee, as applicable, for the benefit of Participating Employees shall be appropriately adjusted; and

(c) the Administrative Agent or the Trustee, as applicable, shall vote the Employee Shares held on behalf of each Participating Employee at every such meeting in such manner as each such Participating Employee, or his or her legal representative, shall have previously directed, and in default of any such direction the Administrative Agent or the Trustee, as applicable, shall refrain from voting. The Administrative Agent or the Trustee, as applicable, may and will, if so required by any Participating Employee, or his or her legal representative, execute all proxies necessary or proper to enable the Participating Employee, or his or her proxy, to attend and vote the Employee Shares held by the Administrative Agent or the Trustee, as applicable, on behalf of such Participating Employee at any such meeting.

11.3 All warrants, options, rights, or spin-off shares received by the Administrative Agent on any Shares held pursuant to the Plan shall be sold by the Administrative Agent on behalf of the Participating Employees and, if and as applicable, the Group RRSP and Group TFSA. The proceeds from the sale of any options, rights or warrants and any dividends received by the Administrative Agent for Shares held pursuant to the Plan shall be used to purchase additional Shares which shall be allocated to the Participating Employee's Personal Account, RRSP Account and TFSA Account, as applicable, in proportion to the number of Shares held on behalf of the Participating Employees by the Administrative Agent before the payment of the dividend or the issue of warrants, options or rights.



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## 12. Termination of Participation

12.1 A Participating Employee's participation in the Plan shall terminate immediately on the first to occur of the following events, unless otherwise specified below:

- (a) the Participating Employee becomes totally and permanently disabled, unless he or she makes alternative arrangements with the Corporation for remittance of Personal Contributions;
- (b) the Participating Employee retires from employment with the Corporation or applicable Subsidiary;
- (c) the Participating Employee dies;
- (d) the Participating Employee's employment with the Corporation or applicable Subsidiary is terminated. A Participating Employee's employment will be considered to have terminated on the last day of his or her actual and active employment, whether such day is selected by agreement with the individual or unilaterally by the Corporation or the Subsidiary. For the avoidance of doubt, no period of notice that is or ought to have been given under applicable law in respect of such termination of employment shall be considered for such purpose;
- (e) the Participating Employee has been placed on layoff and all recall rights or opportunities have been exhausted; or
- (f) the Plan is terminated.

12.2 A Participating Employee whose participation in the Plan has been terminated as provided in Section 12.1 (or his or her executors or administrators, as the case may be) may complete a notice in the form prescribed by the Corporation and file it with the Administrative Agent within 90 days after termination of the Participating Employee's participation in the Plan requesting that one or more of the following occur:

- (a) all or a portion of the Employee Shares in his or her Personal Account be transferred to his or her name or an external account in his or her name;
- (b) all or a portion of the Employee Shares be sold and the net proceeds distributed to the Participating Employee or an external account in his or her name;
- (c) if the Participating Employee's Shares are held in an RRSP Account, to the extent permitted by law, all or a portion of the Employee Shares be transferred to another RRSP in the Participating Employee's name, or that all or a portion of the Employee Shares be withdrawn from the RRSP and distributed to such Participating Employee (with any such withdrawal being reported by the RRSP Trustee as a distribution from the RRSP for purposes of the Tax Act); and/or
- (d) if the Participating Employee's Shares are held in a TFSA Account, to the extent permitted by law, all or a portion of the Employee Shares be transferred to another TFSA in the Participating Employee's name, or that all or a portion of the Employee Shares be withdrawn from the TFSA and distributed to such Participating Employee (with any such withdrawal being reported by the TFSA Trustee as a distribution from the TFSA for purposes of the Tax Act);

provided that the Participating Employee (or his or her executors or administrators, as the case may be) confirms that he or she is not aware of any Undisclosed Material Information and there is no Blackout Period at the time of giving such notice.

12.3 In relation to some or all of the Employee Shares held by the Participating Employee as at the date the Participating Employee's participation in the Plan is terminated, as provided in Section 12.1, if no notice is filed within 90 days after such date, the Participating Employee (or his or her executors or administrators, as the case may be) shall be deemed to have elected to:

- (a) request that the Employee Shares in his or her Personal Account be sold and the net proceeds distributed to the Participating Employee or an external account in his or her name;
- (b) request that the Employee Shares held in an RRSP Account be sold and the net proceeds (net of any applicable withholding taxes) be distributed to the Participating Employee, or his or her estate, as applicable, as provided in Section 6.9; and
- (c) request that the Employee Shares held in a TFSA Account be sold and the net proceeds be distributed to the Participating Employee, or his or her estate, as applicable, as provided in Section 6.9.

12.4 After receiving any such notice as contemplated within this Article 12, the Administrative Agent shall make the necessary arrangements for the sale of the Employee Shares, or the issuance and delivery of the appropriate certificate representing the Employee Shares to such terminating Participating Employee or other RRSP or TFSA, as applicable, as soon as practicable thereafter. The Administrative Agent will forward the net proceeds from the sale of the Employee Shares of a terminating Participating Employee as soon as practicable following the receipt of any notice by the terminating Participating Employee or the Corporation (or applicable Subsidiary), as applicable. Any fractional Shares credited to the Participating Employee's Personal Account, RRSP Account or TFSA Account, of applicable, shall be disregarded on any sale or transfer and the Participating Employee shall be entitled to receive the cash equivalent thereof.

Any distribution from any RRSP Account or TFSA Account shall be reported by the RRSP Trustee or TFSA Trustee, as applicable, as a withdrawal for tax purposes.

The former Participating Employee will be responsible for paying any fees and expenses, as applicable, related to any transaction expenses, brokerage fees, administration fees and applicable taxes incurred on behalf of the former Participating Employee pursuant to Section 12.3.

### 13. Termination by a Participating Employee

13.1 Once a Participating Employee has temporarily ceased participating in the Plan as provided in Section 5.5, the Participating Employee may terminate his or her participation in the Plan by requesting that one or more of the following occur:

- (a) all of the Employee Shares in his or her Personal Account be transferred to his or her name or an external account in his or her name;
- (b) all of the Employee Shares in his or her Personal Account be sold and the net proceeds distributed to the Participating Employee or an external account in his or her name, provided that the Participating Employee confirms that he or she is not aware of any Undisclosed Material Information at the time of giving such notice and such notice may only be given outside of a Blackout Period;

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- (c) if the Participating Employee's Shares are held in an RRSP Account, then to the extent permitted by law, all of the Employee Shares be transferred to another RRSP in the Participating Employee's name or that all or a portion of the Employee Shares be withdrawn from the RRSP and distributed to such Participating Employee (with any such withdrawal being reported by the RRSP Trustee as a distribution from the RRSP for purposes of the Tax Act); and/or

- (d) if the Participating Employee's Shares are held in a TFSA Account, then to the extent permitted by law, all of the Employee Shares be transferred to another TFSA in the Participating Employee's name, or that all or a portion of the Employee Shares be withdrawn from the TFSA and distributed to such Participating Employee (with any such withdrawal being reported by the TFSA Trustee as a distribution from the TFSA for purposes of the Tax Act).

13.2 If, at the end of any Calendar Year, a Participating Employee has not contributed to his or her Personal Account, RRSP Account or TFSA Account, as applicable, during such Calendar Year, the Corporation may elect to give written notice requiring that Participating Employee to terminate his or her participation in the Plan and withdraw, subject to Article 9, all of the funds and

Employee Shares in his or her Personal Account, RRSP Account and TFSA Account, as applicable, in the manner set forth in Section 13.1. If no election under Section 13.1 is made by the Participating Employee within a period of 90 days after notice from the Corporation, the Participating Employee shall be deemed to have elected to:

- (a) request that the Employee Shares in his or her Personal Account be sold and the net proceeds distributed to the Participating Employee or an external account in his or her name;
- (b) if the Participating Employee's Shares are held in an RRSP Account, have all of his or her Employee Shares be sold and the net proceeds (less applicable withholding taxes) be distributed to the Participating Employee or his or her estate, as applicable; and
- (c) if the Participating Employee's Shares are held in a TFSA Account, have all of his or her Employee Shares be sold and the net proceeds be distributed to the Participating Employee (less applicable withholding taxes) or his or her estate, as applicable.

13.3 After receiving any such notice as contemplated within this Article 13, the Administrative Agent shall make the necessary arrangements for the sale of the Participating Employee's Shares, or the issuance and delivery of the appropriate certificate representing the Employee Shares to such terminating Participating Employee or other RRSP or TFSA, if applicable, as soon as practicable thereafter. The Administrative Agent will forward the net proceeds from the sale of the Employee Shares of a terminating Participating Employee as soon as practicable following the receipt of any notice by the terminating Participating Employee or the Corporation, as applicable. Any fractional Employee Shares credited to the Participating Employee's Personal Account or RRSP Account or TFSA Account, if applicable, shall be disregarded on any sale or transfer and the Participating Employee shall be entitled to receive the cash equivalent thereof.

13.4 Any Participating Employee who has terminated his or her participation in the Plan under Section 13.1 or is deemed to have terminated his or her participation in the Plan under Section 13.2, shall not be permitted to enroll and become a Participating Employee in the Plan or entitled to make Personal Contributions again until a period of six calendar months has elapsed since his or her termination or deemed termination.

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#### **14. Amendment of Plan and Termination of Plan**

14.1 The Board may amend, alter or discontinue this Plan at any time, provided that shareholder approval will be required for amendments to: (i) remove or exceed the limits in this Plan on participation by Insiders of the Corporation; (ii) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of the Corporation's outstanding capital represented by such securities; or (iii) amend an amending provision within this Plan.

14.2 Notwithstanding subsection 14.1 but subject to the requirements of the Exchange and with the consent of the Administrative Agent, no shareholder approval will be required for (i) amendments to this Plan of a "housekeeping nature"; (ii) changes to the hold period provisions; or (iii) any other amendment to this Plan which is approved by the Exchange on a basis which does not require shareholder approval to be obtained, but no amendment of this Plan, or any termination of this Plan pursuant to this subsection 14.2, shall divest any Participating Employee of his or her entitlement to his or her Personal Contributions, Employer Contributions, Employee Shares and any certificates or monies held by the Administrative Agent or Trustee on behalf of such Participating Employee without the prior written consent of the Participating Employee.

14.3 The Board may terminate the Plan at any time, provided that the Personal Contributions, Employer Contributions, Employee Shares and any certificates or monies held by the Administrative Agent on behalf of the Participating Employees shall be transferred and delivered to such Participating Employees forthwith.

#### **15. Taxes and Fees**

15.1 The Participating Employee shall be responsible for paying all income taxes and other taxes applicable to Personal Contributions, Employer Contributions and to transactions involving the Employee Shares held by the Administrative Agent or Trustee on his or her behalf, including, without limitation, any taxes payable in respect of:

- (a) Personal Contributions made by the Participating Employee;
- (b) Employer Contributions made on behalf of the Participating Employee;
- (c) the transfer of Employee Shares to the Participating Employee or a person designated by the Participating Employee, including transfers to or from an RRSP Account or TFSA Account, if applicable;
- (d) the sale or other disposition of Employee Shares of the Participating Employee; and
- (e) dividends paid on the Employee Shares.

For greater clarification, the Corporation or any applicable Subsidiary will be responsible for reporting the taxable benefit arising from the Employer Contributions on Participating Employees' T4 slips (or other forms, as required, outside of Canada) and deducting the appropriate withholding taxes in respect of Personal Contributions and Employer Contributions from Participating Employees' Earnings.

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15.2 Each of the Corporation, its Subsidiaries, the Administrative Agent and the Trustee is authorized to deduct from any amounts payable to, or in respect of, a Participating Employee, any amounts which are required to be withheld on account of taxes, and all such amounts shall be remitted to the appropriate government authority in accordance with the Tax Act and other applicable federal, provincial, territorial and state legislation. None of the Corporation, its Subsidiaries, the Trustee and the Administrative Agent: (a) assumes any responsibility for any income tax or other tax consequences for the Participating Employees in the Plan; or (b) shall provide any tax advice to any Participating Employee. Each Participating Employee is expected to consult his or her own professional advisors in this regard.

15.3 The Participating Employee or the Participating Employee's designate, as applicable, will be responsible for paying any and all brokerage commissions and share sale processing fees on all Share sales initiated by, or deemed to be initiated by, the Participating Employee.

15.4 As soon as practicable after the end of the relevant period, the RRSP Trustee or Administrative Agent, as applicable, will issue to each Participating Employee with respect to RRSP contributions, as applicable, receipts reporting the total amount of contributions or withdrawals to or from the Participating Employee's RRSP Account.

## 16. General

16.1 The Corporation shall have full power and authority to interpret and administer the Plan, including the power to appoint any person or persons to carry out its provisions in conformity with the objectives of the Plan and under such rules as the Corporation may from time to time establish. Decisions of the Corporation shall be final and binding upon any Subsidiary, Employees, Participating Employees, and their executors and administrators.

16.2 The Plan is a voluntary program on the part of the Corporation and its Subsidiaries and does not constitute an inducement to or condition of the employment of any Participating Employee.

16.3 Upon electing to participate in the Plan, each Participating Employee shall acknowledge his or her obligation to comply with applicable securities legislation in respect of any trade of Shares on behalf of such Participating Employee under the Plan. Without limiting the generality of the foregoing, each Participating Employee shall be obligated to forthwith instruct the Administrative Agent that the Administrative Agent shall not trade Shares pursuant to the Plan on behalf of such Participating Employee in the event that such Participating Employee is in receipt of material information concerning the Corporation that has not been previously disclosed.

16.4 Nothing in the Plan shall confer upon any Participating Employee any right to continue in the employ of the Corporation or its Subsidiaries or affect in any way the right of the Corporation or any such Subsidiary to terminate his or her employment at any time; nor shall anything in the Plan be deemed or construed to constitute an agreement, or an expression of intent, on the

part of the Corporation or any such Subsidiary to extend the employment of any Participating Employee beyond the time that he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or its Subsidiaries or any present or future retirement policy of the Corporation or its Subsidiaries, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or its Subsidiaries.

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16.5 The Administrative Agent shall be entitled to rely on a certificate of the Secretary of the Corporation, under the seal of the Corporation, as to any of the following matters:

- (a) whether the employment of a Participating Employee with the Corporation or applicable Subsidiary has terminated; and
- (b) the date of death of any Participating Employee.

16.6 The Board may by resolution make, amend and repeal at any time and from time to time such regulations not inconsistent herewith as it may deem necessary or advisable for the issuance of Shares under the Plan and generally for the proper administration and operation of the Plan. All of the powers exercisable under this Plan by the Board may, to the extent permitted by applicable law and as determined by a resolution of the Board, be exercised by a committee of the Board comprised of not less than three (3) Directors, including any compensation committee of the Board.

16.7 The directors and/or officers of the Corporation are hereby authorized to sign and execute all instruments and documents and do all things necessary or desirable for carrying out the provisions of the Plan, including the allotment and issuance of Shares under the Plan.

16.8 Nothing contained herein shall restrict or limit or be deemed to restrict or limit the rights or powers of the Board in connection with any allotment and issuance of Shares that are not allotted and issued hereunder.

16.9 All fees and expenses of the Administrative Agent or the Trustees will be paid by the Corporation or applicable Subsidiary. Participating Employees will be responsible for any withdrawal fees and brokerage commissions on sales.

16.10 The Plan is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

16.11 The Plan shall enure to the benefit of and be binding upon the Corporation, its successors and assigns. The interest hereunder of any Participating Employee shall enure to the benefit of and be binding upon such Participating Employee, his or her legal representatives. All rights of participation in the Plan are personal and no assignment or transfer of any interest in the Employee Shares held by the Administrative Agent or Trustee under the Plan will be permitted or recognized, except as expressly set out elsewhere in this Plan.

16.12 Wherever the singular or masculine are used herein, the same will be construed as meaning the plural or feminine when the context so requires.

16.13 This Plan was adopted by the Board on May 14, 2021.



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June 24, 2021

Hut 8 Mining Corp.  
130 King St West, Suite 1800  
Toronto, ON, M5X 2A2  
Canada

Dear Sirs/Mesdames:

**Re: Hut 8 Mining Corp.: Registration Statement on Form S-8**

We are Canadian counsel to Hut 8 Mining Corp., a British Columbia corporation (the "**Company**"), in connection with the proposed offers and sales of up to 14,308,033 common shares in the capital of the Company, without par value (the "**Shares**"), issuable pursuant to the Company's 2018 omnibus long-term incentive plan, as amended in 2019 and 2021, and the Company's 2021 employee share purchase plan (collectively, the "**Plans**"). The Shares are included in a Registration Statement on Form S-8 (the "**Registration Statement**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), filed with the U.S. Securities and Exchange Commission (the "**Commission**") on the date hereof.

This opinion is being delivered in connection with the Registration Statement, to which this opinion appears as an exhibit.

For the purposes of the opinions expressed below, we have examined such statutes, regulations, public and corporate records and other documents and have made such investigations and considered such questions of law as we have considered necessary as a basis of the opinions hereinafter expressed. We have also examined the Registration Statement and the Plans, which have been filed with the Commission as an exhibit to the Registration Statement. We have relied on a certificate of an officer of the Company as to various questions of fact material to our opinion that we have not verified independently.

In all such examinations, we have assumed the genuineness of all signatures and the authority and legal capacity of all persons signing documents reviewed by us, the authenticity of all documents submitted to us as originals and the completeness and conformity to authentic original documents of all documents submitted to us as true, certified or notarial copies or as reproductions (including documents received by facsimile), all documents submitted to us have been executed in the form reviewed by us and have not been amended or modified since the date they were submitted to us, by written or oral agreement or by conduct of the parties thereto, or otherwise, and the truthfulness and accuracy of all certificates of public officials and officers of the Company. We have also assumed the awards granted under the Plans will be duly granted by the board of directors of the Company (the "**Board**"), a committee of the Board (a "**Committee**") or pursuant to a delegation of authority granted by the Board or a Committee, all in accordance with the terms of the Plans, and all Shares issued in accordance with the Plans will be accompanied by a valid authorization of the Board or such Committee specifying that all such Shares will be validly issued by the Company as fully paid and non-assessable shares in the capital of the Company.

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We are solicitors qualified to practice law in British Columbia and we express no opinion as to any laws or any matters governed by any laws other than the laws of British Columbia and the federal laws of Canada applicable therein. The opinions expressed herein are given as at the date hereof and are based upon, and subject to, legislation and regulations in effect as of the date hereof and the facts as of the date hereof. We specifically disclaim any obligation, and make no undertaking to supplement our opinions herein, as changes in the law

occur and facts come to our attention that could affect such opinions, or otherwise advise any person of any change in law or fact which may come to our attention after the date hereof.

Based upon and subject to the foregoing, we are of the opinion that an aggregate of up to 14,308,033 Shares, when issued from time to time, pursuant to the Plans, including (i) upon the due exercise of options in accordance with the terms of the Plans and the terms and conditions of any agreement governing any such options, including the payment of any option price applicable thereto, and (ii) upon the settlement of restricted share units and deferred share units in accordance with the terms thereof and the terms of the Plans, will be validly issued by the Company as fully paid and non-assessable common shares in the capital of the Company.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. In giving the foregoing consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the U.S. Securities Act or the rules and regulations of the Commission promulgated thereunder.

This opinion is for the benefit of the addressee in connection with the transaction to which it relates, and may not be relied upon, used, or quoted from or referred to in any other documents, by any other person or for any other purpose without our express written consent.

Yours truly,

/s/ BENNETT JONES LLP

**BENNETT JONES LLP**



**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors  
Hut 8 Mining Corp.

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 of Hut 8 Mining Corp. ("the Company") of our report dated March 24, 2021 and April 2, 2020, relating to the Company's consolidated financial statements for the years ended December 31, 2020 and December 31, 2019 which are incorporated by reference in the Company's Registration Statement on Form S-8, filed with the Securities and Exchange Commission on June 23, 2021.

/s/ DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

June 23, 2021  
Vancouver, Canada

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