



## MANAGEMENT INFORMATION CIRCULAR

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ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON

JUNE 12, 2024

April 29, 2024

# LITHIUM ROYALTY CORP.

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting (the "Meeting") of holders (the "Shareholders") of common shares and convertible common shares (collectively, "Equity Shares") of Lithium Royalty Corp. (the "Company", "LRC", "our" and "we") will be held in person on June 12, 2024 at 1133 Yonge Street, 5th Floor, Toronto, Ontario at 10:00am (Toronto time), for the following purposes:

- (a) to receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023, together with the report of the auditor thereon;
- (b) to appoint KPMG LLP as the auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration of the auditor;
- (c) to elect the directors of the Company for the ensuing year; and
- (d) to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The record date for determination of those Shareholders entitled to receive notice of and vote at the Meeting was the close of business on April 23, 2024.

The Meeting will be held in person. Registered Shareholders and duly appointed proxyholders will be able to attend, ask questions and vote at the Meeting following the instructions in the accompanying management information circular dated April 29, 2024 (the "Circular"). Non-registered Shareholders who have not duly appointed and registered themselves as a proxyholder will be able to attend the Meeting in person as guests, but guests will not be able to vote or ask questions at the Meeting.

### NOTICE AND ACCESS

The Company is using the "notice and access" procedure adopted by the Canadian Securities Administrators for the delivery of the Circular and the annual consolidated financial statements and management's discussion and analysis thereon for the year ended December 31, 2023 (the "**2023 Annual Report**") and together with the Circular, the "**Meeting Materials**"), pursuant to an exemption obtained by the Company under the *Canada Business Corporations Act* (the "CBCA"). Under the notice and access procedure, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting.

However, instead of receiving paper copies of the Meeting Materials, you are receiving this Notice of Meeting which contains information about how to access the Meeting Materials electronically. The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities.

Shareholders who have consented to electronic delivery of materials are receiving this Notice of Meeting in an electronic format. The Circular and form of proxy (or voting instruction form) for the common shares of the Company (the "**Common Shares**") provide additional information concerning the matters to be dealt with at the Meeting. You should access and review all information contained in the Circular before voting. See "Notice and Access" in the Circular for additional details.

The Meeting Materials can be viewed online on the Company's website, [www.lithiumroyaltycorp.com](http://www.lithiumroyaltycorp.com), and under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## VOTING

Registered Shareholders may attend the Meeting in person or may be represented by proxy. Registered Shareholders may vote by proxy by signing and returning the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the form of proxy must be dated, signed and deposited with LRC's registrar and transfer agent, TSX Trust Company: (i) by mail using the enclosed return envelope or one addressed to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1, Toll Free: 1 866 600-5869, (ii) by facsimile at 416-595-9593, or (iii) through the internet at [www.voteproxyonline.com](http://www.voteproxyonline.com) in each case no later than: (a) 10:00am (Toronto time) on June 10, 2024, or (b) if the Meeting is adjourned or postponed, no later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the beginning of any reconvened Meeting. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion without notice. To vote through the internet, you will require your 12-digit control number found on your form of proxy. For additional information regarding voting online, appointing a proxyholder and attending and voting at the Meeting, see the instructions in the Circular.

If you are a non-registered Shareholder (for example, if you hold your Shares in an account with a securities broker, bank, dealer, trust company or other intermediary) and receive these materials from your intermediary, please complete and return the voting instruction form or form of proxy provided to you by your intermediary in accordance with the instructions provided to you by your intermediary. Your intermediary may have different and earlier deadlines.

See "Voting Information" in the Circular for additional details.

Dated at Toronto, Ontario this 29th day of April, 2024.

LITHIUM ROYALTY CORP.

by "*Blair Levinsky*"

Executive Chair

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# LITHIUM ROYALTY CORP.

## MANAGEMENT INFORMATION CIRCULAR

### VOTING INFORMATION

#### About this Circular and Related Proxy Materials

This management information circular (the "Circular") and other proxy materials are being provided to the holders (each a "Shareholder" and collectively, the "Shareholders") of common shares (the "Common Shares") and convertible common shares (the "Convertible Common Shares", and together with Common Shares, the "Equity Shares") of Lithium Royalty Corp. (the "Company", "LRC", "we" or "us") by the board of directors (the "Board of Directors" or the "Board") and management of the Company, in connection with the solicitation of proxies for use at the annual meeting (the "Meeting") of the Shareholders of the Company to be held on June 12, 2024 at 10:00am (Toronto time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Meeting (the "Notice"). The Meeting will be held in person.

This solicitation will be made primarily by sending proxy materials to Shareholders by mail. Proxies may also be solicited personally, by advertisement, by telephone, by our directors, officers or employees or by any other means management may deem necessary. The cost of solicitation will be borne by us and is expected to be nominal.

Unless otherwise specified, all information in this Circular is current as at April 29, 2024. All references to "C\$" are to Canadian dollars and all references to "\$" or "US\$" are to U.S. dollars.

#### Notice and Access

The Company is using the "notice and access" procedure adopted by the Canadian Securities Administrators under National Instrument 54-101 — Communications with Beneficial Owners of Securities of a Reporting Issuer ("NI 54-101"), pursuant to an exemption obtained by the Company under the *Canada Business Corporations Act* (the "CBCA"). This procedure allows the Company to deliver this Circular and the annual consolidated financial statements and management's discussion and analysis thereon for the year ended December 31, 2023 (the "2023 Annual Report" and together with this Circular, the "Meeting Materials"), over the internet instead of mailing paper copies to shareholders.

Under the notice and access procedure, the Company will deliver the Meeting Materials by: (i) posting the Meeting Materials (and other proxy-related materials) on its website, [www.lithiumroyaltycorp.com](http://www.lithiumroyaltycorp.com); and (ii) sending the Notice of Meeting informing holders of common shares of the Company ("Common Shares") that the Meeting Materials and other proxy-related materials have been posted on the Company's website, and explaining how to access them. The Meeting Materials are also available under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities.

On or about May 10, 2024, the Company will send shareholders the Notice of Meeting and the relevant voting document (a form of proxy or a voting instruction form). The Notice of Meeting contains basic information about the Meeting, the matters to be voted on and instructions on how to access the proxy materials, and explains how to obtain a paper copy of this Circular and/or the 2023 Annual Report.

Shareholders who have consented to electronic delivery of materials are receiving this Notice of Meeting in an electronic format.

### ***How to Obtain Paper Copies of the Meeting Materials***

Shareholders can contact our transfer agent, TSX Trust Company, toll free at 1-866-600-5869 or by email at tsxtis@tmx.com to arrange for a paper copy of the Circular and/or the 2023 Annual Report to be mailed to them at no cost, for up to one year from the date that that document was filed on SEDAR+.

Requests must be received by June 3, 2024 in order to receive a paper copy of the Meeting materials prior to 10:00am (Toronto time) on June 10, 2024, which is the deadline for submission of your voting instructions or form of proxy, and by June 5, 2024 to receive paper copies before the date of the Meeting. You will not receive a new form of proxy or voting instruction form if you request a paper copy of the Meeting materials, so it is important that you keep the original form sent to you in order to vote. If your request is received on or after the date of the Meeting, then the documents will be sent to you within ten calendar days of your request.

### **Record Date and Outstanding Shares**

Each Equity Share you own as of the close of business on April 23, 2024 (the "Record Date") entitles you to one vote on each of the matters to be acted upon at the Meeting, or any postponement or adjournment thereof, as explained below.

As of the Record Date, 55,415,030 Equity Shares (comprised of 24,865,816 Common Shares and 30,549,214 Convertible Common Shares) were issued and outstanding and entitled to vote at the Meeting.

### **Questions and Answers on Voting**

**Q: What am I voting on?**

A: Shareholders are voting on (i) the election of directors to the Board, and (ii) the appointment of the auditor, KPMG LLP, with auditor's remuneration to be fixed by the Board.

**Q: Who is entitled to vote?**

A: Shareholders as at the close of business on April 23, 2024, being the Record Date, are entitled to vote. Each Equity Share entitles the holder to one vote on the items of business identified above.

**Q: Am I a registered Shareholder or a non-registered Shareholder?**

A: You are a "registered Shareholder" if you hold Equity Shares registered in your name. You are a "non-registered Shareholder" if you hold Equity Shares that are registered in the name of an intermediary (such as a bank, trust company, securities dealer or broker, or director or administrator of a self-administered RRSP, RRIF, RESP, TFSA or similar plan) or a depository (such as CDS Clearing and Depository Services Inc.) of which the intermediary is a participant.

**Q: If I am a registered Shareholder, how do I vote?**

A: If you are a registered Shareholder, you may vote before or at the Meeting. All Shareholders are strongly encouraged to vote before the Meeting.

**Before the Meeting**, a registered Shareholder may vote by submitting a proxy in any of the ways set out below:

*On the Internet:* A registered Shareholder can go to the website at [www.voteproxyonline.com](http://www.voteproxyonline.com) and follow the instructions on that website. The Shareholder will need the 12-digit control number found on his, her or its proxy.

*By Mail:* A registered Shareholder can complete the proxy as directed and mail it to TSX Trust Company, in the business reply envelope provided or in a properly-stamped envelope addressed to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1.

*By Fax:* A registered Shareholder can complete the proxy as directed and return it to TSX Trust Company by fax at 416-595-9593.

*By Email:* A registered Shareholder can complete the proxy as directed and return it by email to [tsxtrustproxyvoting@tmx.com](mailto:tsxtrustproxyvoting@tmx.com).

*By Hand:* A registered Shareholder can complete the proxy as directed and return it by hand delivery to TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1.

**At the Meeting**, Registered Shareholders or their duly appointed proxyholders wishing to attend and to vote at the Meeting should not complete or return the enclosed form of proxy. Physical access to the Meeting will begin at approximately 9:30am (Toronto time).

*Registered Shareholders who plan to attend the Meeting should still consider voting their Equity Shares before the Meeting so that their vote will be counted if they later decide not to attend the Meeting. Registered Shareholders should note that if they participate and vote on any matter at the Meeting, they will revoke any previously submitted proxy. We encourage all Shareholders to vote their Equity Shares in advance of the Meeting.*

**Q:** If I am a non-registered Shareholder, how do I vote?

**A:** A non-registered Shareholder is a person whose Equity Shares are held in an account in the name of a nominee, including a bank, trust company or securities broker.

**Before the Meeting**, a non-registered Shareholder may vote in any of the ways set out below.

*On the Internet:* A non-registered Shareholder can go to the website indicated on his, her or its voting instruction form and follow the instructions at that website. The Shareholder will need the control number found on his, her or its voting instruction form.

*By Telephone:* A non-registered Shareholder can call the number located on such Shareholder's voting instruction form and provide the Shareholder's control number.

*By Mail:* A non-registered Shareholder can complete the voting instruction form as directed and return it in the business reply envelope provided to the Shareholder by the applicable cut-off date and time.



**At the Meeting**, a non-registered Shareholder wishing to attend and to vote at the Meeting or appoint a person (who need not be a Shareholder) to attend and act on such Shareholder's behalf should complete or return the enclosed form of voting instruction form in accordance with these steps:

1. *Appoint yourself or the desired person to act on your behalf as a proxyholder.* This step is necessary because we and our transfer agent may not have a record of the non-registered Shareholders and, as a result, may not have knowledge of your holdings of Equity Shares or your entitlement to vote, unless you appoint yourself or the desired person to act on your behalf as a proxyholder. In most cases, a non-registered Shareholder can appoint themselves as proxyholder by filling in his, her or its name in the space provided for designating a proxyholder on the voting instruction form sent by the Shareholder's intermediary and following the execution and return instructions provided by such intermediary. Other than the non-registered Shareholder filling in his, her or its name, it is not necessary to otherwise complete the form, as the Shareholder will be entitled to vote at the Meeting.
2. *Attend the Meeting.* Physical access to the Meeting will begin at approximately 9:30am (Toronto time).

*Non-registered Shareholders who plan to attend the Meeting should still consider voting their Equity Shares before the Meeting so that their vote will be counted if they later decide not to attend the Meeting. Non-registered Shareholders should note that if they participate and vote on any matter at the Meeting, they will revoke any previously submitted voting instructions. We encourage all Shareholders to vote their Equity Shares in advance of the Meeting.*

**Q: What if my Equity Shares are registered in more than one name or in the name of a company or other entity?**

A: If your Equity Shares are registered in more than one name, all registered persons must sign the form of proxy. If your Equity Shares are registered in a company's name or any name other than your own, you may be required to provide documents proving your authorization to sign the form of proxy for that company or name. For any questions about the proper supporting documents, contact TSX Trust Company before submitting your form of proxy.

**Q: Who is soliciting my proxy?**

A: Proxies are being solicited by management of the Company and the associated costs of that solicitation will be borne by the Company. The solicitation will be made primarily by sending proxy materials, including this Circular, to Shareholders by mail. Proxies may also be solicited personally, by advertisement, by telephone, by our directors, officers or employees or by any other means management may deem necessary.

**Q: How do I complete the voting instructions on my form of proxy or voting instruction form?**

A: Signing a form of proxy or voting instruction form gives authority to the individuals named in that form, being Blair Levinsky, Director and Executive Chair of LRC, or Philip Panet, Chief Operating Officer and Vice President, Legal of LRC, to vote your Equity Shares in accordance with your instructions at the Meeting. You have the right to appoint someone else to represent you at the Meeting, but only if you provide that instruction on the applicable form

of proxy or voting instruction form. See the answer to the question "Can I appoint someone other than the person(s) designated by management of the Company to vote my Equity Shares?" below.

If you appoint the proxyholders named on the form of proxy or voting instruction form (who are representatives of the Company) and voting instructions are given on your form of proxy or voting instruction form, then your proxyholder must vote your Equity Shares in accordance with those instructions. If no voting instructions are given, then your proxyholder may vote your Equity Shares as he or she sees fit. If you appoint the proxyholders named on the form of proxy or voting instruction form, who are representatives of the Company, and do not specify how they should vote your Equity Shares, then your Equity Shares will be voted **FOR** each of the matters referred to in the form(s) of proxy or voting instruction form.

Proxies returned by intermediaries as "non-votes" on behalf of Equity Shares held in the name of such intermediary, where the beneficial Shareholder has not provided voting instructions and the intermediary does not have the discretion to vote such Equity Shares, will be treated as present for purposes of determining a quorum but will not be counted as having been voted in respect of any such matter. As a result, such proxies will have no effect on the outcome of the vote.

**Q: Can I appoint someone other than the person(s) designated by management of the Company to vote my Equity Shares?**

A: Yes. A Shareholder can appoint any person (who need not be a Shareholder) to attend and act for him, her or it and on his, her or its behalf at the Meeting other than the persons designated in the form of proxy or voting instruction form. A Shareholder may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy or the voting instruction form, and signing, dating and submitting the form in advance of the Meeting, as described above under "If I am a registered Shareholder, how do I vote?" or "If I am a non-registered Shareholder, how do I vote?". If you appoint a non-management proxyholder, please make sure the individual is aware of such appointment and ensure that the individual will attend the Meeting in order for your vote to count.

**Q: When is the deadline for me to vote by proxy?**

A: Regardless of whether you submit your vote by mail, fax, internet or otherwise, TSX Trust Company must receive your vote by no later than 10:00am (Toronto time) on June 10, 2024, which is two business days before the day of the Meeting (or 10:00am (Toronto time) on the second last business day prior to any reconvened Meeting, in the event of an adjournment of the Meeting). The Chair of the Meeting may waive, in his or her discretion, the time limit for the deposit of proxies by Shareholders.

If you are a non-registered Shareholder and received a voting instruction form from your intermediary, you will need to send your voting instructions to your intermediary, so please allow sufficient time for your intermediary to receive the form and then for the intermediary to submit it to TSX Trust Company. *Each intermediary has its own deadline so Shareholders will need to follow the specific instructions on the voting instruction form.*

**Q: If I change my mind, can I revoke or change my vote after I have voted by proxy?**

A: Yes. If a registered Shareholder has submitted a proxy, such holder may revoke it (a) by instrument in writing executed by the Shareholder or such Shareholder's attorney authorized in writing or if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, indicating the capacity under which such officer or attorney is signing and deposit that instrument with TSX Trust Company, the transfer agent of the Company, as described above not later than 10:00am (Toronto time) on June 10, 2024, which is the second last business day preceding the date of the Meeting at which the proxy is to be used, (b) by a duly executed and deposited proxy as provided herein bearing a later date or time than the date or time of the proxy being revoked, or (c) as permitted by law.

Registered Shareholders may also attend and vote at the Meeting, and if they do so, any voting instructions they previously gave for their Equity Shares will be revoked.

*Only registered Shareholders have the right to revoke a proxy in the above manner. Non-registered Shareholders who wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their intermediary in order to revoke their voting instructions and/or provide new voting instructions.*

**Q: How will my Equity Shares be voted if I appoint a proxyholder?**

A: The persons named on a form of proxy or voting instruction form must vote your Equity Shares for or against or withhold from voting, as applicable, in accordance with your directions and on any ballot that may be called for. If you do not specify how to vote on a particular matter, your proxyholder is entitled to vote as he or she sees fit. In the absence of directions in a form of proxy or voting instruction form, proxies received by management will be voted FOR all resolutions or matters put before Shareholders at the Meeting. See "Business of the Meeting" for further information.

**Q: What if amendments are made to these matters or if other matters are brought before the Meeting?**

A: The persons named on a form of proxy or voting instruction form will have discretionary authority with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.

As of the date of this Circular, our management knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named on the form of proxy or voting instruction form will vote on them in accordance with their best judgment.

**Q: What is quorum for the Meeting?**

A: Pursuant to our by-laws, quorum for the transaction of business at a meeting of Shareholders is present if at least one or more Shareholders holding in aggregate not less than 25% of the votes attaching to the outstanding Equity Shares entitled to vote at the Meeting are present in person or represented by proxy.

**Q:** How many votes are required to pass?

**A:** All matters that are scheduled to be voted upon at the Meeting are passed by simple majority, meaning that if more than half of the votes that are cast are cast FOR the resolution, then the resolution passes.

**Q:** Who counts the votes?

**A:** Our transfer agent, TSX Trust Company, counts and tabulates the proxies.

**Q:** If I need to contact the Company's transfer agent, how do I reach it?

**A:** For general Shareholder enquiries, you can contact our transfer agent, TSX Trust Company, by mail at 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1 or by telephone, toll-free in North America at 1-866-600-5869 or at 416-361-0930, or by email at [tsxtis@tmx.com](mailto:tsxtis@tmx.com).

## Principal Holders of Equity Securities

The following table sets out certain information with respect to Shareholders who, as at the Record Date, to our knowledge, beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of our voting securities.

| Shareholder                                 | Equity Shares Owned as of the Record Date |                    |                                |                                |                    |                    |
|---|---|--------------------|--------------------------------|--------------------------------|--------------------|--------------------|
|   | # of Common Shares                        | % of Common Shares | # of Convertible Common Shares | % of Convertible Common Shares | # of Equity Shares | % of Equity Shares |
| Riverstone VI LRC B.V. <sup>1</sup> .....   | 15,912,472                                | 64.0%              | -                              | -                              | 15,912,472         | 28.7%              |
| Total Waratah Group <sup>2</sup> .....      | 367,730                                   | 1.5%               | 30,549,214                     | 100.0%                         | 31,916,944         | 55.8%              |
| <i>Royalty Capital I LP<sup>1</sup></i>     | -   | -                  | 16,567,764                     | 54.2%                          | 16,567,764         | 29.9%              |
| <i>Royalty Capital II LP<sup>1</sup></i>    | -   | -                  | 2,991,767                      | 9.8%                           | 2,991,767          | 5.4%               |
| <i>Royalty Capital I-II LP<sup>1</sup></i>  | -   | -                  | 10,155,475                     | 33.2%                          | 10,155,475         | 18.3%              |
| <i>Royalty Capital II-II LP<sup>1</sup></i> | -   | -                  | 834,208                        | 2.7%                           | 834,208            | 1.5%               |
| <i>Blair Levinsky<sup>3</sup></i>           | 367,730                                   | 1.5%               | -                              | -                              | 367,730            | 0.7%               |

Notes:

1 Owned beneficially and of record.

2 In this Circular, "Waratah Group" means, collectively, Waratah Capital Advisors Ltd. ("**Waratah**") and its affiliates, controlling persons and investment funds managed by it and its affiliates. As of the Record Date, the Waratah Group includes (i) Royalty Capital I Limited Partnership, Royalty Capital II Limited Partnership, Royalty Capital I-II Limited Partnership and Royalty Capital II-II Limited Partnership (collectively, the "**Waratah Funds**"), (ii) Waratah, (iii) 2401261 Ontario Inc. (the "**Ontario Entity**") and (iv) Blair Levinsky. Waratah and the Ontario Entity are majority owned and jointly controlled by Blair Levinsky (our Executive Chair) and Brad Dunkley (along with Mr. Levinsky, the co-founder of Waratah). Mr. Levinsky is the portfolio manager at Waratah responsible for the Waratah Funds.

3 Owned beneficially, and includes holdings of spouses, registered accounts and controlled holding companies, but excludes the holdings of the Waratah Funds which are presented separately in this table.

## **BUSINESS TO BE TRANSACTED AT THE MEETING**

### **Purpose of the Meeting**

We will address the business set out below at the Meeting.

We will also consider other business that may properly come before the Meeting. As of the date of this Circular, our management is not aware of any changes to these items and does not expect any other items to be brought forward at the Meeting. If there are changes or new items, you or your proxyholder attending the Meeting can vote your Equity Shares on these items at the Meeting as you or your proxyholder sees fit.

### **Receiving the Financial Statements**

The audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023, together with the report of the auditor thereon, will be presented at the Meeting. No formal action will be taken at the Meeting to approve these financial statements. If any Shareholder or proxyholder has questions regarding these financial statements, those questions may be brought forward at the Meeting.

These documents are included in the Company's 2023 Annual Report. Copies of the 2023 Annual Report in English may be obtained from the Corporate Secretary of the Company upon request. The 2023 Annual Report in English is also available under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) or on the Company's website at [www.lithiumroyaltycorp.com](http://www.lithiumroyaltycorp.com).

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

Seven director nominees are proposed for election to the board of directors of the Company (the "Board"). Shareholders or their proxyholders will vote on the election of the directors.

### **Appointment of Auditor**

Shareholders or their proxyholders will vote on the re-appointment of the auditor and the authorization of the Board to fix the auditor's remuneration.

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## Election of Directors

### *Overview*

Our articles provide for the Board to consist of a minimum of three and a maximum of 20 directors. The Board is currently composed of seven directors. Each of the seven directors will be standing for re-election at the Meeting. Each director will hold office until the next annual meeting of Shareholders or until a successor is elected. Of the seven nominees for election, the Board has determined that four nominees are considered independent under Canadian securities laws.

### *Nominee Selection*

#### *Waratah Investor Rights Agreement*

In addition to proposed directors nominated by management, Waratah Capital Advisors Ltd. ("**Waratah**") has the right to nominate individuals for election to the Board (such individuals, "**Waratah Nominees**") pursuant to an investor rights agreement with the Company. Waratah's nomination rights are as follows:

- if, at any time, the Waratah Group owns, controls or directs at least 40% of our outstanding Equity Shares, Waratah will have the right to nominate a majority of individuals for election to the Board;
- if, at any time, the Waratah Group owns, controls or directs less than 40% but at least 30% of our outstanding Equity Shares, Waratah will have the right to nominate the greater of four and 40% of the members of the Board (rounded down to the nearest whole number);
- if, at any time, the Waratah Group owns, controls or directs less than 30% but at least 20% of our outstanding Equity Shares, Waratah will have the right to nominate the greater of three and 30% of the members of the Board (rounded down to the nearest whole number);
- if, at any time, the Waratah Group owns, controls or directs less than 20% but at least 10% of our outstanding Equity Shares, Waratah will have the right to nominate the greater of two and 20% of the members of the Board (rounded down to the nearest whole number);
- if, at any time, the Waratah Group owns, controls or directs less than 10% but at least 5% of our outstanding Equity Shares, Waratah will have the right to nominate one member of the Board; and
- if, at any time, the Waratah Group owns, controls or directs less than 5% of our outstanding Equity Shares, Waratah's right to nominate individuals for election to the Board will terminate.

Notwithstanding that, at the present time, Waratah is entitled to nominate four individuals for election to the Board, for the purposes of this Meeting, Waratah has elected to nominate only three individuals for election to the Board. The Waratah Nominees are: Blair Levinsky, Mark Wellings and Ernie Ortiz.

### *Advance Notice Provisions*

Our by-laws include certain advance notice provisions for the election of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to (i) facilitate orderly and efficient annual general and, where the need arises, special meetings of Shareholders, (ii) ensure that all Shareholders receive adequate notice of director nominations and sufficient information with respect to all nominees, and (iii) allow Shareholders time to register an informed vote. Only individuals who are nominated by shareholders in

accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of shareholders, or at any special meeting of Shareholders at which one of the purposes for the special meeting is the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director would be required to provide us notice, in the prescribed form, within the prescribed time periods. These time periods include, (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of Shareholders (the "Notice Date") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes electing directors, not later than the close of business on the 15th day following the date on which the first public announcement of the date of the special meeting of shareholders was made

Nominations for the Meeting are due by May 13, 2024. As of the date of this Circular, no director nominations for the Meeting have been received by the Company from any shareholder.

Our by-laws are available on the Company's website at [www.lithiumroyaltycorp.com](http://www.lithiumroyaltycorp.com) and under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## *Nominees for Election*

### *Overview*

The following tables and notes thereto set out certain information as at the date of this Circular (unless otherwise indicated) with respect to the individuals being nominated at the Meeting for election as directors. The information concerning the nominees has been furnished by each of them.

The director nominee profiles, provided below under "Director Profiles", tell you about each director nominee's experience and other important information to consider, including how much equity they own in the Company and their other public company directorships. Each of the nominees currently serves as a director of the Company. Management does not contemplate that any of the nominees will be unable to serve as a director.

We believe our Board nominees must strike the right balance between those who have the skills and experience necessary to ensure our business can secure its license to operate, and those who have technical and operating expertise and financial and business acumen. The director nominees have been selected based on their sound leadership and professional reputation and their collective ability to address the broad range of issues the Board considers when overseeing the Company's business and affairs. As a group, the director nominees complement each other in respect of their respective skills, experience and diversity of perspectives.

The Board recommends that Shareholders vote **FOR** the election as director of each of the seven nominees named below. Unless otherwise instructed, the individuals named in the form of proxy or voting instruction form intend to vote **FOR** the election as director of each of the nominees named below.

| Name and Place of Residence  | Principal Position/Title   |
|--|--|
| Elizabeth (Liz) Breen <sup>1,3</sup><br><i>Ontario, Canada</i>       | Lead Independent Director<br>Compensation, Nominating and Governance Committee Chair |
| Blair Levinsky <sup>3,4,6</sup><br><i>Ontario, Canada</i>            | Director and Executive Chair<br>Sustainability Committee Chair                       |
| Mark Wellings <sup>5,6</sup><br><i>Ontario, Canada</i>               | Director and Vice Chair<br>Technical Committee Chair                                 |
| Ernie Ortiz <sup>4,5,6</sup><br><i>New York, New York</i>            | Director and Chief Executive Officer   |
| Tamara Brown <sup>1,2,3</sup><br><i>Ontario, Canada</i>              | Director<br>Audit Committee Chair  |
| John Kanellitsas <sup>1,2,5</sup><br><i>Treasure Island, Florida</i> | Director   |
| Jesal Shah <sup>1,2,4</sup><br><i>New York, United States</i>        | Director   |

Notes:

- 1 Independent director. See "Statement of Corporate Governance Practices – Director Independence".
- 2 Member of our Audit Committee.
- 3 Member of our Compensation, Nominating and Governance Committee.
- 4 Member of our Sustainability Committee.
- 5 Member of our Technical Committee.
- 6 Waratah Nominee.

Additional biographical information for each individual is provided below under "Director Profiles". Directors will serve until the next annual meeting of shareholders or until their successors are elected or appointed unless their office is earlier vacated.

### *Voting*

Our directors are elected annually, individually, and by majority vote. While we do not have a "majority voting" policy, we are subject to the provisions of section 106(3.4) of the *Canada Business Corporations Act* (the "CBCA"). Section 106(3.4) of the CBCA provides that if, at a meeting of shareholders of a corporation at which an election of directors is required, there is only one candidate nominated for each position available on the board (an "**Uncontested Meeting**"), each candidate is elected only if the number of votes cast in their favour represents a majority of the votes cast for and against them by the shareholders who are present in person or represented by proxy. If an incumbent director who was a candidate in an election held in an Uncontested Meeting was not elected during the election, the director may continue in office until the earlier of: (a) the 90th day after the day of the election; and (b) the day on which the director's successor is appointed or elected.

Other than the Investor Rights Agreement (as defined herein), there are no contracts, arrangements, or understandings between any director or executive officer, or any other person, pursuant to which any of the nominees has been nominated for election as a director of the Company.

Having received no nominations under the Advance Notice Provisions as of the date of this Circular, we expect that the Meeting will be an Uncontested Meeting for the purposes of the CBCA.



*Director Profiles*

The following profiles present information about each of the nominees for election as director.

**ELIZABETH (LIZ) BREEN**

Lead Independent Director & Chair of Compensation, Nominating and Governance Committee



**Director since:** February 13, 2023

**Age:** 66

**Residence:** Ontario, Canada

**Nationality:** Canadian

**Areas of Expertise:**

Board and Governance

Capital Markets

Sustainability

Legal & Compliance

Liz is a senior partner at Stikeman Elliott LLP, a Canadian business law firm. She has extensive experience in royalty transactions, mergers & acquisitions, finance and private equity transactions. She has represented Canadian clients in a wide range of industries, as well as a significant number of foreign investors in respect of their Canadian strategic objectives. She is a member of the audit committee at Stikeman Elliott LLP.

Liz holds a Bachelor of Commerce with distinction from the University of Alberta and a Bachelor of Laws from the University of Toronto.

**2024**

**Board and Committee Membership**

Board of Directors (Lead Independent Director)

Compensation, Nominating and Governance Committee (Chair)

**Securities Held or Controlled as at the date of this Circular**

|                           |       |
|---------------------------|-------|
| Common shares             | 1,686 |
| Convertible common shares | Nil   |
| RSUs                      | Nil   |
| DSUs                      | 4,045 |

Does not exceed share ownership requirement for Non-Executive Directors

**Current Membership on Other Public Boards, as at the date of this Circular**

None

**2023**

**Board and Committee Membership**

Board of Directors

Attendance  
6 of 6 – 100%

Lead Independent Director

Compensation, Nominating and  
Governance Committee

3 of 3 – 100%

Cash Retainer

DSUs

**Prior Year Meeting Voting Results**

2023

Votes For

52,081,454

Votes Against

4,800

## BLAIR LEVINSKY

Co-Founder, Executive Chair of the Board of Directors



**Director since:** March 29, 2018

**Age:** 51

**Residence:** Ontario, Canada

**Nationality:** Canadian

Waratah Nominee

**Areas of Expertise:**

Board and Governance

Mining

Accounting

Capital Markets

Sustainability

Legal & Compliance

Blair is Co-Founder, President and Chief Executive Officer of Waratah Capital Advisors Ltd., an alternative investment management company based in Toronto, Canada with over C\$4 billion in assets under management, including thematic and specialty private equity strategies.

In addition to setting strategy for Waratah and managing Waratah's strategic growth, Blair is the lead portfolio manager for the Waratah Electrification and Decarbonization Fund and the Executive Chair of the Company.

From 1999 to 2010, Blair was a Managing Director at TD Securities, a division of TD Bank Financial Group. Blair was formerly a director at the Women's College Hospital Foundation and served on its Investment Committee for seven years and is a former member of YPO.

Blair holds a Bachelor of Arts from the University of Western Ontario and a joint Bachelor of Laws and Master of Business Administration from Dalhousie University.

### 2024

#### Board and Committee Membership

Board of Directors (Chair)

Compensation, Nominating and Governance Committee

Sustainability Committee (Chair)

#### Securities Held or Controlled as at the date of this Circular

|   |                         |
|---|-------------------------|
| Common shares                                 | 367,730                 |
| Convertible common shares                     | 30,549,214 <sup>1</sup> |
| RSUs  | 40,453                  |
| DSUs  | Nil                     |
| Exempted from NEO share ownership requirement |                         |

#### Current Membership on Other Public Boards, as at the date of this Circular

None

### 2023

#### Board and Committee Membership

Board of Directors

Sustainability Committee

Compensation, Nominating and

Governance Committee

Attendance

6 of 6 – 100%

2 of 2 – 100%

3 of 3 – 100%

Cash Retainer

DSUs

#### Prior Year Meeting Voting Results

2023

Votes For

48,579,147

Votes Against

3,507,107

Notes:

(1) Controlled by virtue of his position at Waratah. Includes approximately 1,103,045 Convertible Common Shares attributable to his ownership interests in the Waratah Funds.

## MARK WELLINGS

Co-Founder, Vice Chair and Non-Independent Director



**Director since:** November 23, 2017

**Age:** 60

**Residence:** Ontario, Canada

**Nationality:** Canadian

Waratah Nominee

**Areas of Expertise:**

Board and Governance

Mining

Accounting

Capital Markets

Sustainability

Legal & Compliance

Mark is the Vice Chair and the Executive Vice President, Technical of the Company. He is a finance professional with over 30 years of international experience in both the mining industry and mining finance sector.

Mark initially worked in the mining industry both in Canada and Australia in exploration, development and production capacities. He then joined the investment dealer GMP Securities L.P. as a Managing Director of Investment Banking where he co-founded the firm's corporate finance mining practice. During over 18 years at GMP Securities L.P., Mark was responsible for, and advised on, some of the Canadian mining industry's largest transactions, both in equity financing and mergers and acquisitions. Since then, he has been appointed to several public and private boards and is currently the Lead Director of Li-Cycle Holdings Corp.

Mark is a Professional Engineer and holds a Bachelor of Applied Science in Geological Engineering from the University of Windsor and a Master of Business Administration from the University of Western Ontario.

### 2024

#### Board and Committee Membership

Board of Directors

Technical Committee (Chair)

#### Securities Held or Controlled as at the date of this Circular

|   |                      |
|---|----------------------|
| Common shares                                 | 13,510               |
| Convertible common shares                     | 488,867 <sup>1</sup> |
| RSUs  | 29,412               |
| DSUs  | Nil                  |
| Exempted from NEO share ownership requirement |                      |

#### Current Membership on Other Public Boards, as at the date of this Circular

Li-Cycle Holdings Corp.

### 2023

| Board and Committee Membership    | Attendance    | Cash Retainer | DSUs          |
|-----------------------------------|---------------|---------------|---------------|
| Board of Directors                | 6 of 6 – 100% |               |               |
| Technical Committee               | 2 of 2 – 100% |               |               |
| Prior Year Meeting Voting Results |               | Votes For     | Votes Against |
| 2023                              |               | 51,930,973    | 155,281       |

Notes:

(1) Convertible Common Shares attributable to his ownership interests in the Waratah Funds.

## ERNIE ORTIZ

Co-Founder, President and Chief Executive Officer and Non-Independent Director



**Director since:** February 13, 2023

**Age:** 35

**Residence:** New York, New York

**Nationality:** United States

Waratah Nominee

**Areas of Expertise:**

Board and Governance

Mining

Accounting

Capital Markets

Sustainability

Legal & Compliance

Ernie is a Director, President and the Chief Executive Officer of the Company. He managed the origination, structuring, and execution of all of our royalties which involved cross-border negotiations with parties in Argentina, Australia, Brazil, China, Serbia, Finland, the United Kingdom, Canada and the United States. Ernie has visited many of the world's lithium deposits, as well as several of the chemical and battery plants that service the EV industry. Ernie is a regular presenter at industry and investor conferences, including Fastmarkets and LME Week.

Prior to LRC, Ernie was an Analyst at Tide Point Capital Management, a hedge fund based in Greenwich, Connecticut that specialized in lithium, battery materials and speciality chemicals. At Tide Point Capital, Ernie led investments into lithium companies that included Sociedad Quimica y Minera de Chile, Albemarle Corporation, Galaxy Resources Limited and others.

Prior to Tide Point Capital, Ernie was a senior associate at Credit Suisse based in New York City, where he led research and diligence on lithium. In 2014, Ernie led the Credit Suisse team in publishing one of the seminal lithium primers that helped companies in the space raise capital based on its in-depth analysis of the industry.

Ernie sits on the London Metal Exchange Lithium Advisory Committee and serves as a Director on the board of Sinova Global Inc. Ernie is a CFA charterholder and holds a Bachelor of Arts in Economics from the University of Chicago.

### 2024

#### Board and Committee Membership

Board of Directors

Sustainability Committee

Technical Committee

#### Securities Held or Controlled as at the date of this Circular

|   |                     |
|---|---------------------|
| Common shares                                 | 30,000              |
| Convertible common shares                     | 42,345 <sup>1</sup> |
| RSUs  | 242,718             |
| DSUs  | Nil                 |
| Exempted from NEO share ownership requirement |                     |

#### Current Membership on Other Public Boards, as at the date of this Circular

None

### 2023

| Board and Committee Membership    | Attendance    | Cash Retainer | DSUs          |
|-----------------------------------|---------------|---------------|---------------|
| Board of Directors                | 6 of 6 – 100% |               |               |
| Sustainability Committee          | 2 of 2 – 100% |               |               |
| Technical Committee               | 2 of 2 – 100% |               |               |
| Prior Year Meeting Voting Results |               | Votes For     | Votes Against |
| 2023                              |               | 52,080,854    | 5,400         |

Notes:

(1) Convertible Common Shares attributable to his ownership interests in the Waratah Funds.

## TAMARA BROWN

Independent Director & Chair of Audit Committee



**Director since:** February 13, 2023

**Age:** 51

**Residence:** Ontario, Canada

**Nationality:** Canada, Australia

**Areas of Expertise:**

Board and Governance

Mining

Accounting

Capital Markets

Sustainability

Legal & Compliance

Tamara is a mining industry professional with over 25 years of experience in the mining, capital markets and M&A sectors with 10 years of public and private board and committee experience. She is currently a partner of Oberon Capital Corp., an investment services provider, and was the Interim Chief Executive Officer of Superior Gold Inc., a gold producer, from 2020 to 2021. Tamara is currently an independent director of Orla Mining Ltd. (TSX) and 29Metals Limited (ASX).

Her previous executive roles include Vice President, Investor Relations and Corporate Development (Americas) for Newcrest Mining Ltd., a gold mining company, from 2018 to 2020; Vice President, Corporate Development and Investor Relations for Primero Mining Corp., a gold and silver producer, from 2010 to 2018; and Director of Investor Relations for IAMGOLD Corp. Tamara began her career as a professional engineer in the mining industry and was formerly a partner of a boutique investment banking firm. She has seven years of experience serving on the audit committees of seven different public companies. She also actively participated in and supervised people undertaking the preparation, auditing and analyzing of the public company financial statements for Superior Gold Inc.

Tamara holds a Bachelor of Engineering from Curtin University in Australia and has completed the Chartered Business Valuator Course at York University.

### 2024

#### Board and Committee Membership

Board of Directors

Audit Committee (Chair)

#### Securities Held or Controlled as at the date of this Circular

|                           |       |
|---------------------------|-------|
| Common shares             | 3,680 |
| Convertible common shares | Nil   |
| RSUs                      | Nil   |
| DSUs                      | 4,045 |

Does not exceed share ownership requirement for Non-Executive Directors

#### Current Membership on Other Public Boards, as at the date of this Circular

Orla Mining Ltd., 29Metals Limited

### 2023

#### Board and Committee Membership

Board of Directors

Audit Committee

Compensation, Nominating and

Governance Committee

Attendance

6 of 6 – 100%

5 of 5 – 100%

3 of 3 – 100%

Cash Retainer

DSUs

#### Prior Year Meeting Voting Results

2023

Votes For

52,082,854

Votes Against

3,400

## JOHN KANELITSAS

Independent Director



**Director since:** February 13, 2023  
**Age:** 62  
**Residence:** Treasure Island, Florida  
**Nationality:** United States

**Areas of Expertise:**  
 Board and Governance  
 Mining  
 Capital Markets  
 Sustainability

John is the Executive Chairman of Lithium Americas (Argentina) Corp., an operator of lithium projects in Argentina. John joined the company as a director in 2011 and served as a former Chief Executive Officer until the company's merger with Western Lithium USA Corp. in September 2015. He also served as the Interim Chief Executive Officer from October 2023 until March 2024. John also serves as a director of Largo Physical Vanadium Corp.

He has over 25 years of experience in the investment banking and asset management industries. John co-founded and was a partner of Geologic Resource Partners, LLP, where he served as its Chief Operating Officer from 2004 to 2014. Prior to Geologic, John was employed by Sun Valley Gold, LLC and Morgan Stanley & Co. in New York and San Francisco.

John has a Bachelor of Science in Mechanical Engineering from Michigan State University and a Master of Business Administration from the University of California in Los Angeles.

### 2024

#### Board and Committee Membership

Board of Directors  
 Audit Committee  
 Technical Committee

#### Securities Held or Controlled as at the date of this Circular

|                           |       |
|---------------------------|-------|
| Common shares             | Nil   |
| Convertible common shares | Nil   |
| RSUs                      | Nil   |
| DSUs                      | 4,045 |

Does not exceed share ownership requirement for Non-Executive Directors

#### Current Membership on Other Public Boards, as at the date of this Circular

Lithium Americas (Argentina) Corp., Largo Physical Vanadium Corp.

### 2023

#### Board and Committee Membership

|                     | Attendance    |
|---------------------|---------------|
| Board of Directors  | 6 of 6 – 100% |
| Audit Committee     | 5 of 5 – 100% |
| Technical Committee | 2 of 2 – 100% |

#### Cash Retainer

#### DSUs

#### Prior Year Meeting Voting Results

|      | Votes For  | Votes Against |
|------|------------|---------------|
| 2023 | 51,933,483 | 152,771       |

## JESAL SHAH

Independent Director



**Director since:** February 1, 2024

**Age:** 38

**Residence:** New York, United States

**Nationality:** United States

**Areas of Expertise:**

Board and Governance

Accounting

Capital Markets

Sustainability

Jesal has served as a member of our Board of Directors since January 2024. Jesal is a Managing Director at Riverstone Holdings LLC ("Riverstone Holdings"), an asset management firm that invests in the private markets primarily within energy, power and infrastructure. Prior to joining Riverstone Holdings in 2010, Jesal was in the energy investment banking group of Credit Suisse, where he was involved with M&A and capital markets advisory for power, utilities, and renewables clients.

In addition to serving on the boards of a number of privately held Riverstone Holdings portfolio companies and their affiliates, Jesal has previously served on several public company boards, including Hammerhead Energy (formerly Hammerhead Resources) from 2018 to 2023, Pipestone Energy Corp from 2021 to 2023, and Liberty Oilfield Services from 2018 to 2020. He served on the audit committee of Hammerhead Resources and currently serves as the chair of the audit committee of Vesta Energy, a private Canadian oil and gas upstream company.

Jesal holds a Bachelor of Arts from Tufts University and a Master of Business Administration from Harvard Business School.

### 2024

#### Board and Committee Membership

Board of Directors

Audit Committee

#### Securities Held or Controlled as at the date of this Circular

Common shares Nil

Convertible common shares Nil

RSUs Nil

DSUs Nil

Does not exceed share ownership requirement for Non-Executive Directors

#### Current Membership on Other Public Boards, as at the date of this Circular

None

### 2023

#### Board and Committee Membership

Attendance

Cash Retainer

DSUs

Board of Directors<sup>(1)</sup>

N/A

Audit Committee<sup>(1)</sup>

N/A

#### Prior Year Meeting Voting Results

Votes For

Votes Against

2023<sup>1</sup>

N/A

N/A

Notes:

1 Not applicable – Mr. Shah joined the Board in February 2024.

### *Director Qualifications*

The Board comprises seven directors, four of whom are independent and three of whom are not independent. The composition of the Board is designed to bring an optimal balance of competencies, knowledge and experience to successfully promote achievement of our strategic objectives and effective corporate governance and oversight. Outlined below are the individual attributes that each nominee is expected to bring to the Board:

| Director         | Board and Governance | Mining | Accounting | Investment Banking / M&A / Capital Markets | Sustainability | Legal & Compliance |
|------------------|----------------------|--------|------------|--|----------------|--------------------|
| Liz Breen        | √                    | -      | -          | √  | √              | √                  |
| Blair Levinsky   | √                    | √      | √          | √  | √              | √                  |
| Mark Wellings    | √                    | √      | √          | √  | √              | √                  |
| Ernie Ortiz      | √                    | √      | √          | √  | √              | √                  |
| John Kanellitsas | √                    | √      | -          | √  | √              | -                  |
| Jesal Shah       | √                    | -      | √          | √  | √              | -                  |
| Tamara Brown     | √                    | √      | √          | √  | √              | √                  |

### *Penalties or Sanctions*

None of the proposed directors has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

### *Bankruptcies*

None of the directors or executive officers of the Company, nor, to the best of the our knowledge, any other shareholder holding a sufficient number of securities to affect materially control of the Company, has, within the 10 years prior to the date of this Circular, (a) been a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

### *Corporate Cease Trade Orders*

None of the proposed directors is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or



chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

### Appointment of the Auditor

KPMG LLP, located at Bay Adelaide Centre, 333 Bay Street, Suite 4600, Toronto, ON M5H 2S5, is the our auditor and has confirmed that it is independent of the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario. KPMG LLP was initially appointed as our auditor on March 4, 2019. Shareholders are being asked to approve the appointment of KPMG LLP as the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration of the auditor.

The Board recommends that Shareholders vote **FOR** of the appointment of KPMG LLP as the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration of the auditor. Unless otherwise instructed, the persons named in the form of proxy or voting information form intend to vote **FOR** the appointment of KPMG LLP as the auditor of the Company and its subsidiaries for the ensuing year and to authorize the directors to fix the remuneration of the auditor.

### Audit and Other Services Fees

The Audit Committee oversees the fees paid to the independent auditor, KPMG, for audit and non-audit services. The following table shows fees paid to KPMG LLP in the last two fiscal years for various services provided to us:

|                                       | <u>Fiscal 2023</u>      | <u>Fiscal 2022</u>        |
|---------------------------------------|-------------------------|---------------------------|
| Audit fees <sup>1</sup> .....         | \$380,035               | \$912,839                 |
| Audit-related fees <sup>2</sup> ..... | 82,984                  | 121,885                   |
| Tax fees <sup>3</sup> .....           | 399,445                 | 459,175                   |
| All other fees .....                  | -                       | -                         |
| <b>Total<sup>4</sup> .....</b>        | <b><u>\$862,464</u></b> | <b><u>\$1,493,899</u></b> |

Notes:

- 1 Audit fees are reported on an accrual basis for the relevant year and include out-of-pocket expenses and administrative fees, including fees for the audit of the year-end financial statements for the relevant year.
- 2 Audit-related fees related to services provided in connection with the initial public offering of the Company in March 2023 (the "IPO") and the reorganization of the Company prior to the IPO.
- 3 Tax fees for 2023 includes IPO related fees of \$170,352, tax compliance fees of \$115,076 and general tax advisory fees of \$114,016. Tax fees for 2022 includes IPO related fees of \$303,700, tax compliance fees of \$44,127 and general tax advisory fees of \$111,348.
- 4 Fees set out in the table above have been reported on an accrual basis, particularly in respect of the allocation of amounts billed in the first quarter following a completed fiscal year. Accordingly, the amounts for 2022 set out above may not reconcile to comparable prior disclosures by the Company.

As part of the Company's corporate governance practices, the Audit Committee has adopted a policy prohibiting the auditor from providing non-audit services to the Company or its subsidiaries unless the services are approved in advance by the Chair of the Audit Committee. The auditor is required to report directly to the Audit Committee.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Canadian Securities Administrators have issued corporate governance guidelines pursuant to National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") together with certain related disclosure requirements pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"). The corporate governance guidelines set forth in NP 58-201 are recommended as "best practices" for issuers to follow. The Board recognizes that good corporate governance plays an important role in the Company's overall success and in enhancing Shareholder value and, accordingly, have adopted certain corporate governance policies and practices. The disclosure set out below describes its approach to corporate governance.

### Composition of the Board and Board Committees

Under articles, our Board consists of a minimum of three and a maximum of 20 directors as determined from time to time by our directors. Our Board consists of seven directors, the majority of whom are considered to be independent under Canadian securities laws. Under the CBCA, a director may be removed with or without cause by a resolution passed by an ordinary majority of the votes cast by shareholders present in person or by proxy at a meeting of shareholders and who are entitled to vote. The directors will be elected by Shareholders at each annual meeting of Shareholders, and all directors will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed. Under the CBCA, between annual general meetings of Shareholders, the directors may appoint one or more additional directors, but the number of additional directors may not at any time exceed one-third of the number of directors elected at the previous annual meeting of Shareholders.

Certain aspects of the composition and functioning of our Board are governed by the terms of the Investor Rights Agreement. The nominees for election by Shareholders as directors will be determined by our Compensation, Nominating and Governance Committee ("**CNG Committee**") in accordance with the provisions of applicable corporate law, the Investor Rights Agreement and the charter of our CNG Committee. See also "Committees of the Board — Compensation, Nominating and Governance Committee".

### Director Independence

Under NI 58-101, a director is considered to be independent if he or she is independent within the meaning of section 1.4 of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**"). Pursuant to section 1.4 of NI 52-110, an independent director is a director who is free from any direct or indirect relationship which could, in the view of our Board, be reasonably expected to interfere with a director's independent judgment.

Based on information provided by each director concerning his or her background, employment and affiliations, our Board has determined that, of the seven directors on our Board, Blair Levinsky, Ernie Ortiz and Mark Wellings are not considered to be "independent" within the meaning of applicable securities laws as a result of their respective relationships with us. The Board has considered each of the directors in the overall context of the Company and has concluded that each of Liz Breen, Tamara Brown, John Kanellitsas and Jesal Shah is an independent director. We refer to these four directors collectively as the "**Independent Directors**".

### Meetings of Independent and Non-Management Directors

Our Board believes that given its size and structure, including the fact that we have a Lead Independent Director and that a majority of our directors are independent, the Board is able to facilitate independent judgment in carrying out its responsibilities. To enhance such independent judgment, our Lead Director serves as an independent leadership contact for directors and senior executives and will preside over

meetings of the independent Directors and at in camera sessions of the independent directors. Moreover, the independent and non-management members of our Board will have the opportunity to hold in camera meetings with members of management and non-independent directors, as applicable, not in attendance, as part of regularly scheduled Board meetings.

## Director Term Limits and Other Mechanisms of Board Renewal

Our Board is composed of a diverse range of individuals who represent a mix of background, experience, skills and expertise, evidencing diversity in tenure, age and gender. Accordingly, our Board has not adopted, nor does it currently consider it necessary to adopt, director term limits. Rather than adopting formal term limits, our Board (having regard to the recommendations of the CNG Committee) evaluates mechanisms to ensure, among others, the best mix of competencies and skills to provide for our overall stewardship. Our CNG Committee also assists our Board evaluate the effectiveness and performance of each director.

## Charter of the Board of Directors

Our Board is responsible for supervising the management of our business and affairs, including providing guidance and strategic oversight to management. Our Board has adopted a formal charter in the form set forth in Appendix A that includes the following duties and obligations:

- ensuring, to the extent feasible, the integrity of the Chief Executive Officer and other executive officers of the Company;
- adopting a strategic planning process and implementing risk management policies and procedures;
- succession planning, including appointing, training and monitoring the performance of the executive officers of the Company;
- reviewing the integrity of our internal control and management information systems and requiring the implementation of changes to such systems as may be necessary to ensure the integrity of such systems;
- ensuring compliance with all regulatory requirements relating to financial reporting; and
- adopting and periodically reviewing policies and procedures designed to (i) ensure compliance with applicable laws, (ii) ensure that our business is conducted ethically, and (iii) permit shareholder and other stakeholders feedback.

Our Board has adopted a written position description for the Lead Independent Director, which sets out the Lead Independent Director's key responsibilities, including, among others, facilitating the independent functioning of the Board and assuming certain responsibilities of the Chair in circumstance in which the Chair may be conflicted. See "Governance Practices — Meetings of Independent and Non-Management Directors".

Our Board has also adopted a written description of the Chair's position, which sets out the Chair's key responsibilities, including, among others, providing leadership to the Directors, scheduling the meetings of the Board, setting the agenda for meetings of the Board, and promoting the proper flow of information to the Directors.

Our Board has adopted a written description of the position for each of our committee chairs which sets out each of the committee chair's key responsibilities, including, among others, providing leadership to

the committee, scheduling meetings of the committee, organizing and presenting the meeting agenda, and presiding over the meetings.

Our Board has adopted a written position description for our Chief Executive Officer which sets out the key responsibilities of our Chief Executive Officer, including, fostering a corporate culture that promotes ethical practices and encourages individual integrity, developing a long-term strategy and vision for the Company that leads to the creation of shareholder value, developing an annual operating plan and financial budget that support the Company's long-term strategy, and serving as the primary spokesperson for the Company and establishing the Company's communications framework and strategy.

## **Services Agreement**

We are party to a management services agreement (the "**Services Agreement**") with Waratah. The material terms of the Services Agreement are summarized in our Annual Information Form under the heading "Material Contracts – Services Agreement"; which is qualified in its entirety by reference to the provisions of the agreement, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Waratah's address is 1133 Yonge Street, 5th Floor, Toronto, Ontario.

Upon becoming a public company in March 2023, we entered into the Services Agreement with Waratah in order to provide us with management support and other transitional services (such as office space and technology and IT systems) while we build our own management team and separate ourselves from Waratah. The Services Agreement is intended to be a transitional measure and our Board has significant flexibility under the Services Agreement to change the scope of the services and the corresponding compensation for those services under the Services Agreement.

Following the March 2023 initial public offering, we continued to build out our management team, engaging a CFO, a Vice President, Corporate Development, a Vice President, Investor Relations and a controller. During 2023, we also implemented our own technology and accounting systems separate from Waratah. We are in the process of securing separate premises for the Company, which we expect to move into during Q2 2024. These ongoing initiatives will continue to reduce our reliance on the Services Agreement.

## ***Waratah Personnel***

In addition to our own executive officers, Waratah continues to provide us with the services of Mr. Levinsky (our Executive Chair), Mr. Panet (our Chief Operating Officer) and an investment analyst at Waratah. We refer to Mr. Levinsky and Mr. Panet as "Service NEOs". Mr. Levinsky has waived salary and short-term cash incentive compensation. Compensation costs associated with Mr. Panet and the investment analyst represent the substantial majority of payments by the Company to Waratah under the Services Agreement.

None of Waratah's officers, employees or other service providers receives any direct compensation from us, except to the extent that we decide to provide grants to any of them under our Omnibus Plan. Rather, we reimburse Waratah for the compensation paid by Waratah to these individuals in respect of their time allocated to providing services to us. The amount of this compensation is determined from time to time by our CNG Committee.

Our CNG Committee, may from time to time on reasonable notice reduce or expand the support services provided by Waratah under the Services Agreement. We are responsible for reimbursing Waratah for any reasonable costs or expenses that it incurs if it terminates the employment or services of any individual providing us with executive officer services as a result of a request by us.

If an individual providing executive officer services to us resigns from Waratah or otherwise terminates his or her contract with Waratah, then, unless the CNG Committee determines otherwise, Waratah will use commercially reasonable efforts to procure the services of a replacement for such individual.

### *Compensation and Expenses*

The payments made to Waratah pursuant to the Services Agreement in respect of 2023 are set out in the table below. Of the total amount set out below, 58% related to compensation expenses attributable to Mr. Panet and 25% was attributable to compensation expenses associated with a Waratah investment analyst assisting on activities of the Company. The remainder included allocations of overhead expenses associated with the use of Waratah office space and technology infrastructure, reimbursement of out-of-pocket expenses incurred by Waratah on behalf of the Company and sales taxes.

| Period                    | Amount paid to Waratah <sup>1</sup> |
|---------------------------|-------------------------------------|
| 2023 Q1                   | \$9,418                             |
| 2023 Q2                   | 59,560                              |
| 2023 Q3                   | 45,067                              |
| 2023 Q4                   | 65,398                              |
| 2023 Bonuses <sup>2</sup> | 181,059                             |
| Total                     | \$360,502                           |

Notes:

- 1 Amounts paid to Waratah pursuant to the Services Agreement are incurred and paid in C\$ and converted to US\$ for reporting purposes using the Bank of Canada average exchange rate for 2023 of 1.3497.
- 2 Amounts paid to Waratah in Q1 2024 for compensation earned in 2023 by Waratah personnel providing services under the Services Agreement. Includes adjustment for time allocated to activities of the Company.

The Company has entered a lease for office space separate from Waratah and anticipates moving into the new space in June or July 2024. Following the transition to its own office space, the Company anticipates that payments to Waratah in respect of overhead expenses will substantially cease to be payable and that remaining payments will be limited to compensation expenses for Waratah personnel.

### *Duration and Termination*

The Services Agreement was approved by our Board and the Independent Directors. The Services Agreement has a term ending on the earlier of (i) December 31, 2027 and (ii) 180 days after the Waratah Group first ceases to directly or indirectly own, control or direct at least 5% of our Equity Securities. The Services Agreement may be amended or terminated upon mutual consent of Waratah and the Independent Directors (on behalf of the Company). The Services Agreement may only be terminated by us, upon written notice to Waratah, for Cause (as defined therein) or following a change of control of the Company.

### *Orientation and Continuing Education*

The CNG Committee develops recommendations to the Board concerning: (i) our orientation program for new directors regarding the nature and operations of our business, the role of our Board and the committees of our Board; and (ii) our continuing education program for all directors that enables them to enhance their skills and abilities as directors and ensure that their knowledge of our business remains current.

The chair of each committee is responsible for coordinating orientation and continuing Director development programs relating to the committee's mandate.

## Code of Conduct

We have adopted a written code of business conduct and ethics (the "**Code of Ethics**") that applies to all of our officers (including the Service NEOs), directors and employees. The objective of the Code of Ethics is to provide guidelines for promoting honesty and integrity and maintaining the highest standards of ethical conduct in all Company activities. The Code of Ethics addresses, among other matters, fair dealings, confidentiality, compliance with laws, rules and regulations, conflicts of interest, corporate opportunities, protection of corporate assets, work environment, communications practices, government relations, financial reporting, compliance and reporting any violations of law, regulation or the Code of Ethics. Any person subject to the Code of Ethics must promptly report all known violations and breaches of applicable laws or of the Code of Ethics to the Chief Executive Officer or the Chief Financial Officer and to the senior legal officer of the Company. The CNG Committee is responsible for reviewing and evaluating the Code of Ethics and recommends any necessary or appropriate changes to our Board for consideration. The CNG Committee assists our Board and the Company's senior legal officer with monitoring compliance with the Code of Ethics, and is responsible for considering and making a recommendation on any waivers of the Code of Ethics involving a director or executive officer of the Company (including a Service NEO), with the Board approving or rejecting the proposed waiver as it deems appropriate. Any other proposed waiver of the provisions of the Code of Ethics is reviewed by the Company's senior legal officer who has the sole and absolute discretion to either (a) approve or reject the proposed waiver, or (b) refer it to the CNG Committee for further review. Our Board has ultimate responsibility for monitoring compliance with the Code of Ethics. In accordance with NI 58-101, the Code of Ethics has been filed with the Canadian securities regulatory authorities on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Sustainability Principles

We believe that battery technology, the electrification of transportation and distributed deployment of renewable power generation, enabled by advances in battery performance, are key elements that underpin global decarbonization efforts. Integration of sustainability factors is a key aspect of our investment analysis and a key consideration in our target investment criteria. We are a signatory to the United Nation's Principles for Responsible Investing. Factors that we consider in our diligence process include the following:

- use of renewable power in extraction and processing;
- infrastructure benefits to remote communities;
- environmental and economic impact on local communities;
- child labour and slavery considerations;
- water use, including impact on potable water and water recycling; and
- surface disruption, remediation plans and tailings management.

Our ESG Policy for Portfolio Investments outlines principles and standards that apply to our target investment criteria and our practices assessing the sustainability performance of our portfolio of investments.

## Diversity

We believe that having a diverse Board may offer a breadth and depth of perspectives that enhance our Board's performance. We value diversity of abilities, experience, perspective, education, gender, background, race and national origin. Recommendations concerning director nominees are expected to be based on merit and past performance as well as expected contribution to our Board's performance, subject to the Company's obligations under our investor rights agreement with Waratah.

The following table summarizes the profile of our directors:

|                              | Liz Breen      | Blair Levinsky | Mark Wellings | Ernie Oritz    | Tamara Brown   | John Kannelitsas | Jesal Shah     | Total / Average |
|------------------------------|----------------|----------------|---------------|----------------|----------------|------------------|----------------|-----------------|
| Residence                    | CAN            | CAN            | CAN           | USA            | CAN            | USA              | USA            | -               |
| Age                          | 66             | 51             | 60            | 35             | 51             | 62               | 38             |                 |
| Gender                       | Male           | •              | •             | •              |                | •                | •              | 5               |
|                              | Female         | •              |               |                | •              |                  |                | 2               |
| Tenure                       | 1.2            | 6.0            | 6.4           | 1.2            | 1.2            | 1.2              | 0.2            | 2.5             |
| Diverse Directors            | • <sup>1</sup> |                |               | • <sup>2</sup> | • <sup>1</sup> |                  | • <sup>2</sup> | 2               |
| Independent                  | •              |                |               |                | •              | •                | •              | 4               |
| Other public board positions | -              | -              | 2             | -              | 2              | 2                | -              | 0.9             |

Notes:

- 1 Diversity Factor: Female
- 2 Diversity Factor: Visible minority

Assuming all nominated directors are elected at the Meeting, two of seven members on our Board, or approximately 29%, would be women, and two would belong to a visible minority. Two of our current board committee chairs (50%) are women. Currently, our CEO belongs to a visible minority (representing 20% of the NEOs) and our CFO is female (representing 20% of the NEOs). None of our NEOs is indigenous or a person with disabilities. We have and will continue to recruit and select directors and senior management candidates that represent a diversity of business understanding, personal attributes, cultural background, abilities and experience.

We have adopted a Diversity and Inclusion Policy regarding the representation and nomination of women or members of other designated groups, including indigenous, people with disabilities and persons belonging to visible minorities, on our Board or our senior management. We have not adopted formal targets for gender or other diversity representation among our executives in part due to the need to consider specific criteria for each individual appointment. The CNG Committee is responsible for the implementation and administration of this policy.

The evolving composition of our Board and senior management will continue to be shaped by our CNG Committee, as well as by our obligations under the investor rights agreement with Waratah. This will be achieved in part by, among other things, ensuring that diversity considerations are taken into account in Board vacancies and senior management appointments, monitoring the level of diverse representation on our Board and in senior management positions and continuing efforts to recruit qualified diverse candidates.

## Directors' and Officers' Liability Insurance and Indemnification

Our and our subsidiaries' directors and officers are covered under our directors' and officers' liability insurance. Under this insurance coverage, we and our subsidiaries will be reimbursed for insured claims where

payments have been made under indemnity provisions on behalf of our and our subsidiaries' directors and officers, subject to a deductible for each loss, which will be paid by us. Our and our subsidiaries' individual directors and officers will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by us or our subsidiaries. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

## Committees of the Board

Our Board has established and will maintain the following standing committees, each having mandates that incorporate all applicable laws and stock exchange requirements: the Audit Committee, the Compensation, Nominating and Governance Committee, the Sustainability Committee and the Technical Committee.

Our Board appoints and maintains members on each of its committees in a manner that complies with all applicable laws and stock exchange requirements, having regard to the recommendations of the Compensation, Nominating and Governance Committee with respect to such matters.

### *Audit Committee*

Our Audit Committee is charged with reviewing, overseeing and evaluating our financial controls and reporting. Our Audit Committee consists of three directors. The members of the Audit Committee are appointed by our Board, having considered the recommendation of the Compensation, Nominating and Governance Committee. Our Audit Committee members must all be independent and financially literate within the meaning of NI 52-110, and at least one member must have accounting or financial management expertise. Our Audit Committee comprises Tamara Brown, who acts as chair of this committee, John Kanellitsas and Jesal Shah. Each of our Audit Committee members has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. For additional details regarding the relevant education and experience of each member of our Audit Committee, see "Business of the Meeting — Nominees for Election".

Our Board has adopted a written charter setting forth the purpose, composition, authority and responsibility of our Audit Committee, consistent with NI 52-110. The Audit Committee will assist our Board in fulfilling its oversight of:

- the integrity of the Company's accounting and financial reporting systems, including those used in connection with the preparation of its financial statements, budgets and forecasts;
- the adequacy of the Company's internal controls over financial reporting and disclosure controls and procedures;
- the Company's compliance with legal and regulatory requirements;
- the external auditor's independence, qualifications and performance;
- the work of the external auditor and the performance of the Company's internal audit function; and
- performing any other activities consistent with the Audit Committee charter or specifically assigned to the Audit Committee by our Board.



It is the responsibility of the Audit Committee to maintain free and open means of communication between the Audit Committee, the external auditors and management of the Company. The Audit Committee will be given full access to the Company's management and records and external auditors as necessary to carry out these responsibilities. The Audit Committee will have the authority to carry out such special investigations as it sees fit in respect of any matters within its various roles and responsibilities. The Company will provide appropriate funding, as determined by the Audit Committee, for the payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee.

### *Compensation, Nominating and Governance Committee*

Our Board has formed a Compensation, Nominating and Governance Committee (the "CNG Committee") that is charged with reviewing, overseeing and evaluating our compensation, nominating and corporate governance policies. The CNG Committee comprises three directors, the majority of whom are persons determined by our Board to be independent within the meaning of NI 58-101. Our CNG Committee members are Liz Breen, who acts as chair of this committee, Blair Levinsky and Tamara Brown. In her position as chair of the CNG Committee, and as Lead Independent Director of our Board, Ms. Breen is responsible to ensure an objective nomination process.

Given Mr. Levinsky's affiliation with Waratah and Waratah's right to currently nominate up to four directors to the Board pursuant to the Investor Rights Agreement, with respect to matters relating to the nomination of directors, the CNG Committee has primarily focused on those director nominees who are not Waratah nominees and are intended to be independent of the Company, to satisfy prescribed independence requirements under applicable securities legislation. Moreover, Ms. Breen and Ms. Brown hold in camera sessions without Mr. Levinsky, if either Ms. Breen or Ms. Brown deems it necessary or desirable. In the interest of further advancing the independence of the CNG Committee, Mr. Levinsky has confirmed to the Board that he will resign from the CNG Committee during 2024, after the Board has identified another director to replace him.

Our Board believes that the members of the CNG Committee individually, and collectively, possess the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation matters and general business leadership, to fulfill the committee's mandate. Members of the CNG Committee have substantial cumulative knowledge and experience as current or former senior executives or partners of large and complex organizations and as members of, or advisors to, the boards of other publicly traded entities. For additional details regarding the relevant education and experience of each member of our CNG Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "Business of the Meeting — Nominees for Election".

Our Board has adopted a written charter setting forth the purpose, composition, authority and responsibility of our CNG Committee, which include:

- identifying individuals (other than the Waratah nominees) qualified to become directors, consistent with the criteria established by our Board;
- if applicable, recommending to our Board the director nominees for the election at the next annual meeting of the Shareholders of the Company;
- recommending to our Board director nominees for appointment by our Board to fill any interim vacancy on our Board;

- developing and recommending to our Board a set of corporate governance principles applicable to the Company;
- overseeing the evaluation of the directors and the executive officers of the Company;
- monitoring compliance with the Code of Ethics and initiating investigations of reported violations;
- making recommendations to the Board with respect to the compensation of directors and executive officers of the Company and matters relating to the Company's incentive-compensation and equity-based plans, including metrics for distributions of equity-based compensation;
- reviewing the Company's executive compensation disclosure; and
- performing any other activities consistent with the CNG Committee charter or specifically assigned to the CNG Committee by our Board.

Our CNG Committee will take reasonable steps to evaluate and assess the performance and effectiveness of our directors, committees of our Board, our Chair and our committee chairs. The assessment will evaluate, among other things, each director's independence, overall Board competencies and skills, as well as individual director and overall Board competencies and skills, and the level of diversity on our Board. Our Board will receive and consider the recommendations from our CNG Committee regarding the results of its evaluation. In identifying new candidates for our Board, the CNG Committee will consider what competencies and skills our Board, as a whole, should possess and the personality, integrity and other qualities of each director, as these may ultimately determine our boardroom dynamic, and any deficiencies. Our CNG Committee will also be responsible for orientation and continuing education programs for our directors. See also "Orientation and Continuing Education".

Our Board is responsible for approving the compensation of our Chief Executive Officer based on the recommendations of the CNG Committee, as well as, based on the recommendations of the Chief Executive Officer and the CNG Committee, the compensation of our other executive officers, including the NEOs. The compensation paid to NEOs is set forth above under "Executive Compensation — 2023 Compensation".

Further particulars of the process by which compensation for our executive officers will be determined are provided under "Executive Compensation".

### ***Sustainability Committee***

Our Board formed an ESG Committee in 2023, at the time of the initial public offering. The Committee was renamed as the Sustainability Committee later in 2023 to minimize overlap and confusion with the mandate of the CNG Committee. The Sustainability Committee is charged with reviewing, overseeing and evaluating our ESG Policy for Portfolio Investments. The Sustainability Committee comprises three directors: Blair Levinsky, who acts as chair of this committee, Jesal Shah and Ernie Ortiz.

Our Board has adopted a written charter, which sets forth the purpose, composition, authority and responsibility of our Sustainability Committee. Our Sustainability Committee's purpose is to assist our Board by:

- developing, and recommending to the Board, our approach to risks relating to non-financial factors, including developing and maintain our ESG Policy for Portfolio Investments, and

reporting to the Board on the performance of our portfolio of investments against sustainability risks identified by the Sustainability Committee;

- approving the adoption of any sustainability-related standards or initiatives;
- monitoring, assessing and managing risk-related environmental and social issues, including co-ordinating with the Audit Committee;
- engaging with our shareholders and stakeholders in respect of sustainability issues, as directed by the Board; and
- performing any other activities consistent with the responsibilities of the Sustainability Committee as set forth in its charter or otherwise specifically assigned to the Sustainability Committee by the Board.

### *Technical Committee*

Our Board has formed a Technical Committee that is charged with oversight of technical aspects of the Company's operations, including reviewing and making recommendations to the Board in respect of potential investments in mineral properties, monitoring technical developments in the lithium mining space, overseeing and assessing the company's portfolio of assets, supervising the Company's technical teams and other activities relating to the Company's operations. Each member of the Technical Committee must have sufficient expertise to comprehend and evaluate the technical issues associated with the Company's operations and portfolio of assets. The current members of the Technical Committee are Mark Wellings, who acts as chair of this committee, John Kanellitsas and Ernie Ortiz.

## COMPENSATION DISCUSSION AND ANALYSIS

### Introduction

The following discussion describes the significant elements of the compensation program for our named executive officers (collectively, the "NEOs"), namely:

- Blair Levinsky, Executive Chair;
- Ernie Ortiz, President and Chief Executive Officer;
- Dominique Barker, Chief Financial Officer and Head of Sustainability;
- Mark Wellings, Vice Chair and Executive Vice President, Technical; and
- Philip de L. Panet, Chief Operating Officer and Vice President, Legal.

Waratah arranges for Messrs. Levinsky and Panet to provide their services as NEOs pursuant to and in accordance with the Services Agreement, described below under "Governance Practices — Services Agreement", between the Company and Waratah (we refer to these NEOs as "Service NEOs"). Each of Messrs. Levinsky and Panet resides in Ontario. Under the terms of the Services Agreement, we reimburse Waratah for certain expenses incurred by it in connection with the services provided by the Service NEOs, which are included in the total amount paid to Waratah under the Services Agreement. Our Board has significant flexibility under the Services Agreement to change the scope and provider of the services, as well as the compensation paid to a particular Service NEO. Mr. Levinsky has waived any cash compensation by the Company for 2024 (and also did so for 2023), and therefore we do not currently reimburse Waratah for services provided by Mr. Levinsky, except in respect of share-based compensation.

### Overview

To achieve our strategic business and financial objectives, we need to attract, retain and motivate a highly talented executive team, and therefore we have designed, and will continue to refine, our executive compensation program to achieve the following objectives:

- provide compensation opportunities in order to attract and retain talented, high-performing and experienced executive officers whose knowledge, skills and performance are critical to our success;
- motivate our executive officers to achieve our business and financial objectives, including (i) growing our asset base through the creation and acquisition of royalties and investment opportunities collateral or derivable from royalty opportunities, (ii) building a diversified portfolio of royalty assets that is positioned to benefit from the evolution towards electrification and decarbonization of the global economy and (iii) maintaining strong financial capacity to finance asset growth;
- align the interests of our executive officers with those of our shareholders by tying a portion of compensation directly to the long-term value and growth of our business;
- demonstrate leadership and foster positive engagement in sustainability and community development initiatives;
- maintain a strong correlation between compensation and performance; and
- provide incentives that encourage appropriate levels of risk-taking by our executive team.

We offer our executive officers cash compensation in the form of base salary and an annual cash bonus. We expect Waratah provides similar arrangements for the Service NEOs in respect of the services they provide to us.

We have also granted, and will continue to grant, long-term incentives to our executive officers, including Service NEOs, which may include restricted share units ("RSUs"), stock options, performance share units ("PSUs"), or a combination thereof, under our new omnibus equity incentive plan (the "Omnibus Plan"). We believe that equity-based compensation awards will motivate our executive officers to achieve our strategic business and financial objectives, and also align their interests with the long-term interests of our shareholders. We do not have a pension plan in place. While we anticipate that our proposed executive officer compensation program and our Services Agreement with Waratah will be effective at attracting and maintaining executive officer talent, we intend to continue to evaluate our compensation practices on an ongoing basis to ensure that we are providing competitive compensation opportunities for our executive team relative to our peers, and to review the compensation of our executive team on an annual basis. As part of this review process, we expect to be guided by the philosophy and objectives outlined above, as well as other factors which may become relevant as we compete in the market.

No share or option based awards or incentive plan awards held by any of our executive officers, including the Service NEOs, vested during fiscal 2023.

We granted the following RSUs to our NEOs during 2023:

|                  | One-time initial public offering grant | 2023 calendar year grant |
|------------------|--|--------------------------|
| Blair Levinsky   | -                                      | 40,453                   |
| Ernie Ortiz      | 202,265                                | 40,453                   |
| Dominique Barker | 29,412                                 | 17,647                   |
| Mark Wellings    | 11,765                                 | 17,647                   |
| Philip Panet     | -                                      | 8,824                    |

## Compensation Discussion and Analysis

### *Compensation-Setting Process*

During 2023, our CNG Committee, in consultation with our President and Chief Executive Officer, was responsible for assisting our Board in fulfilling its governance and supervisory responsibilities, and overseeing our human resources, and compensation policies, processes and practices. Our CNG Committee was also responsible for ensuring that our compensation policies and practices provide an appropriate balance of risk and reward consistent with our risk profile.

Our Board has adopted a written charter for our CNG Committee setting out its duties and responsibilities. Our CNG Committee's oversight in 2023 included reviewing objectives, evaluating performance and ensuring that total compensation paid to our executive officers, personnel who report directly to our CEO, and various other employees was fair, reasonable and consistent with the objectives and philosophy of our compensation programs.

Our CEO made recommendations to the CNG Committee with respect to 2023 compensation for each of the other NEOs. The CNG Committee reviewed and approved the compensation for the CEO and the CEO's compensation recommendations for the other NEOs.

### *Peer Group Benchmarking*

During 2023, the CNG Committee engaged an independent compensation consultant, Lane Caputo Compensation Inc. ("**Lane Caputo**"), to evaluate the Company's executive compensation program against current market practice of its peers and to advise on the structure of NEO compensation for 2024. In setting executive compensation, the CNG Committee, with the assistance of Lane Caputo, benchmarked NEO pay with specific peer groups for purposes of setting levels of compensation, evaluating relative performance and analyzing other aspects of compensation. LRC subscribes to a pay-for-performance philosophy that looks to peers when setting target levels of incentive compensation, but ultimately applies the results from its corporate and personal objectives to establish thresholds of performance and reward exceptional performance when exceptional results are achieved. LRC engaged in a performance review process in early 2024 to help guide performance and align objectives across the organization.

As part of its 2023 engagement, Lane Caputo prepared an assessment of NEO compensation in comparison to the executive compensation programs of a peer group of 21 companies (the "Peer Group"), set out in the table below. Peer companies were selected solely from the mining industry, with a subgroup of eight royalty and streaming companies for additional industry context. In order to increase the comparability of approach to compensation structure, Lane Caputo also sought to match the development stage, size, geographic scope and headquarter location of the Peer Group to the Company.

| <b>Peer Group for Compensation Benchmarking</b> |                           |                                 |
|---|---------------------------|---------------------------------|
| <i>Royalty/Streaming subgroup</i>               |                           |                                 |
| Altius Minerals Corp.                           | Argonaut Gold Inc.        | Critical Elements Lithium Corp. |
| Gold Royalty Corp.                              | Aura Minerals Inc.        | E3 Lithium Limited              |
| Nomad Royalty Company Ltd.                      | Calibre Mining Corp.      | Standard Lithium Ltd.           |
| Nova Royalty Corp.                              | Fortuna Silver Mines Inc. | Sierra Metals Inc.              |
| Sandstorm Gold Ltd.                             | IAMGOLD Corp.             | Endeavour Silver Corp.          |
| Maverix Metals Inc.                             | MAG Silver Corp.          |                                 |
| Metalla Royalty & Streaming Ltd                 | New Gold Inc.             |                                 |
| Vox Royalty Corp.                               | McEwen Mining Inc.        |                                 |

The CNG Committee considered information for the Peer Group provided by Lane Caputo, relating to base salaries, and STI and LTI plans, and considered other alternatives for compensation rewards. The CNG Committee targeted base salaries in the lower two quartiles of the peer group and considered the peer group information in determining STI and LTI targets for fiscal 2023. The Peer Group was also referenced for guidance when contemplating the total cash and total direct compensation of our executives.

### *Independent advice*

The CNG Committee engaged Lane Caputo in August 2023 as its independent compensation consultant. Lane Caputo reported directly and exclusively to the CNG Committee. The CNG Committee considered Lane Caputo's recommendations, but the committee was responsible for determining the final

compensation rewards and incentives. In 2023, Lane Caputo's consulting arrangement with the CNG Committee outlined above was their sole engagement with the Company; they did not perform any other services and did not earn any other fees from LRC. The CNG Committee pre-approved the budget for services that were performed by Lane Caputo, which included:

- preparing benchmark market data for executive officer and director compensation;
- providing guidance in establishing a relevant peer group for benchmarking director and officer compensation;
- assessing the competitiveness of our compensation;
- presenting its findings to the CNG Committee in November 2023; and
- advising the CNG Committee on the structure of executive compensation awards.

Lane Caputo was paid the following fees for professional services in 2023 and 2022:

| Lane Caputo                                      | 2023     | 2022 |
|--|----------|------|
| Executive compensation-related fees <sup>1</sup> | \$20,745 | Nil  |
| All other fees                                   | Nil      | Nil  |

Notes:

1. Lane Caputo fees are incurred and paid in C\$ and converted to US\$ for reporting purposes using the Bank of Canada average exchange rate for 2023 of 1.3497.

***Components Of Compensation***

The compensation of our executive officers includes three main components: (a) base salary; (b) short-term incentives, consisting of an annual cash bonus (reimbursed to Waratah for Service NEOs); and (c) long-term equity incentives, currently consisting of RSUs granted under the Omnibus Plan. While the Omnibus Plan also allows us to grant stock options and PSUs, the CNG Committee has elected to defer the use of these forms of compensation, until such time as a reasonable history of performance has been established to determine when specific performance metrics have been achieved. Perquisites and benefits are not a significant element of compensation for our executive officers. The Company does not currently offer a pension plan.

| Compensation Element                                    | Objective   | Key Features  |
|---|---|---|
| Base salary   | Provide a fixed level of cash compensation for performing day-to-day responsibilities                               | Reflects the executive's experience and responsibility, market competitiveness, internal/external equity<br>Currently targeted at the lower two quartiles of the peer group with adjustments for individual performance   |
| Annual Cash Bonuses under our Short-term Incentive Plan | Reward short-term financial, operational and individual performance   | Each NEO has a target bonus (% of base salary) with a maximum opportunity – payouts range from zero to maximum depending on the position and target level<br>Awarded annually, paid in Q1 of the following year<br>In 2023, the STI plan was based on a framework of qualitative measures of corporate and individual performance<br>The framework comprises five metrics for corporate performance: (a) Grow and Optimize Value, (b) Financial Performance, (c) Enterprise Risk Management, (d) Sustainability Performance, and (e) Corporate Priorities |
| Awards under our Long-term Incentive Plan               | Align management interests with those of shareholders, encourage retention and reward long-term company performance | LTI awards for 2023 were granted at the time of the IPO in March 2023 and are governed by the Omnibus Plan<br>RSUs vest in full equally over three years on the anniversary of their grant date and are generally settled in shares<br>Stock options and PSUs are not currently components of the LTI plan  |
| Benefits  | Support the health and wellness of our management employees   | Group benefit plan provides for health, life and disability insurance coverage, in addition to a Health Spending Account<br>We do not offer pensions, post-employment or other retiree benefits   |
| Perquisites   | Maintain professional designations  | A very limited number of personal benefits, including reimbursement for professional dues   |

### *Base Salaries*

Base salary is provided as a fixed source of compensation for our executive officers. Base salaries are determined on an individual basis taking into account the scope of the executive officer's responsibilities, prior experience and position relative to relevant peers in the market. Base salaries are targeted at the Peer Group lower two quartiles, are reviewed annually and may be increased, if warranted or necessary to maintain market competitiveness. Base salaries can also be adjusted throughout the year to reflect promotions or other changes in the scope or breadth of an executive officer's role or responsibilities. At the beginning of 2024, all employees' salaries were increased by 10%, consistent with our stated objective of achieving and maintaining compensation paid to employees of the Company that is competitive with the Peer Group.



### NEO Salary Levels

| Name and Principal Position   | Annual Salary |                   |
|---|---------------|-------------------|
|   | 2023          | 2022 <sup>2</sup> |
| Blair Levinsky <sup>1</sup><br><i>Executive Chair</i>   | Waived        | Waived            |
| Ernie Ortiz<br><i>President and Chief Executive Officer</i>                                   | \$300,000     | Nil               |
| Dominique Barker <sup>3</sup><br><i>Chief Financial Officer and Head of Sustainability</i>    | 148,181       | Nil               |
| Mark Wellings <sup>3</sup><br><i>Vice Chair and Executive Vice President, Technical</i>       | 148,181       | Nil               |
| Philip de L. Panet <sup>3,4</sup><br><i>Chief Operating Officer and Vice President, Legal</i> | 118,545       | Nil               |

Notes:

- 1 Mr. Levinsky waived salary compensation from the Company during 2023.
- 2 During 2022, none of the NEOs were employees of the Company and none received salary compensation from the Company.
- 3 Annual base salaries for the NEOs (other than Mr. Ortiz) during 2023 were paid in C\$ and have been converted to US\$ for reporting purposes using the Bank of Canada daily average Canadian/U.S. dollar exchange rate for 2023 of 1.3497.
- 4 Mr. Panet does not receive direct salary compensation from the Company. Instead, the Company reimburses Waratah under the Services Agreement for Mr. Panet's salary compensation, based on his relative time allocation between activities of the Company and Waratah. The salary amount above is presented based on his actual allocation during 2023 to activities of the Company of 80%. His annual salary assuming a 100% allocation as a Service NEO to activities of the Company would have been \$148,181.

### Short-Term Incentive Plan

For 2023, the STI plan was designed to incentivize employees, including the NEOs, to meet growth, financial and operational objectives. The CNG Committee is responsible for approving the plan design, objectives and awards based on year end results, following recommendations from the CEO.

The STI plan target award levels for 2023 were set as a percentage of each executive officer's base salary. The targets had the potential to vary, based on the executive's position, ranging from 0% to 200% of base salary. If maximum performance, as set out in the annual metrics approved by the CNG Committee at the beginning of the year, is achieved or exceeded, STI awards would pay out at or above target levels, up to the maximum payout (200%) opportunity, which varies depending on the executive's position. Likewise, if threshold Company and individual performance is not achieved, the STI award may be \$0.

| Name and Principal Position   | Target (%) | Target (\$)          | Maximum (\$) | Actual (\$) |
|---|------------|----------------------|--------------|-------------|
| Blair Levinsky <sup>1</sup><br><i>Executive Chair</i>   | Waived     | Waived               | Waived       | Waived      |
| Ernie Ortiz<br><i>President and Chief Executive Officer</i>                                   | 100%       | \$300,000            | \$600,000    | \$300,000   |
| Dominique Barker <sup>2,3</sup><br><i>Chief Financial Officer and Head of Sustainability</i>  | 100-150%   | 148,181 –<br>222,271 | 296,362      | 115,703     |
| Mark Wellings <sup>2</sup><br><i>Vice Chair and Executive Vice President, Technical</i>       | 100%       | 148,181              | 296,362      | 148,181     |
| Philip de L. Panet <sup>1,4</sup><br><i>Chief Operating Officer and Vice President, Legal</i> | 100%       | 148,181              | 296,362      | 118,545     |

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Notes:

- 1 Mr. Levinsky waived his STI award for 2023.
- 2 STI awards in respect of the NEOs (other than Mr. Ortiz) were paid in C\$ and have been converted to US\$ for reporting purposes using the Bank of Canada daily average Canadian/U.S. dollar exchange rate for 2023 of 1.3497.
- 3 Ms. Barker's STI award was pro-rated by 78.1%, reflecting her actual period of service during 2023.
- 4 Mr. Panet did not receive a direct STI award from the Company for 2023. Instead, the Company determined an STI award for Mr. Panet for 2023 and then reimbursed Waratah under the Services Agreement for the amount of Mr. Panet's STI award, adjusted based on his relative time allocation between activities of the Company and Waratah. The STI award amount above is presented based on his actual allocation during 2023 to activities of the Company of 80%. Assuming a 100% allocation as a Service NEO to activities of the Company, his STI award would have been \$148,181.

Refer to the discussion below under "2023 Short-term Incentive Plan Framework" for an explanation of the 2023 short-term incentive (actual) determination.

The STI plan is a performance-based annual incentive plan that is designed to motivate our executive officers to meet our strategic business and financial objectives, more specifically our annual financial and operational performance targets. Individual annual incentive payouts will be higher or lower than the target amount depending on the level of achievement of the applicable performance targets and evaluation of individual contributions. The Board reviews the outcome of the framework and can apply judgment, either positively or negatively, where results are affected by extraordinary circumstances (positive or negative) or factors outside the control of management.

In designing the STI plan framework for fiscal 2023, the CNG Committee, with consultation and guidance from Lane Caputo, considered the general principles for effective incentive plan design, which include:

- Create alignment with the business strategy
- Motivate executives and other employees to drive organizational performance by:
  - Providing a competitive/meaningful reward opportunity
  - Focusing on performance objectives that executives can directly influence
  - Setting realistically achievable target goals and meaningful stretch goals
- Reflect the Company's risk posture by aligning payment horizons with risk horizons, and avoiding design features that may drive executives to take undue risks to earn rewards
- Produce reasonable and defensible pay and performance outcomes
- Simple to communicate, understand and implement

### *2023 Short-term Incentive Plan Framework*

In determining STI awards in respect of the Company's first year as a public company during 2023, the CNG Committee adopted the following framework for evaluating corporate and individual performance for 2023. The CNG Committee also reviewed and approved the corporate and personal objectives of the management team for 2024, to support the achievement of the Company's objectives and align with the corporate strategy.

The STI framework allows for sufficient flexibility to adjust the weightings and objectives annually to ensure alignment while maintaining consistency across the framework. The CNG Committee determined that given (a) the early stage of the Company and the ongoing transition to a portfolio of producing royalties, (b) the lack of a reasonable history of performance to determine when specific performance metrics have been achieved, and (c) the Company's brief history as a public company, a quantitative-focused framework for performance assessment was premature. Instead, for 2023 STI awards, we measured performance at the end of the year based primary on qualitative factors.

For 2023, the Board approved a weighting of 90% Company performance and 10% Individual performance as the basis for annual incentives for the CEO and the Vice Chair, and a weighting of 80% Company performance and 20% Individual performance for the other three NEOs. Those weightings have been retained for 2024 STI purposes.

The 2023 STI awards were approved by the CNG Committee and were supported by LRC's success in completing objectives during 2023, as determined based on the framework set forth below. The CNG Committee determined that all of the NEOs met the relevant metrics and, as a result, each NEO received an STI award at target.

Performance against the Corporate performance measures set forth in the framework below was assessed at 100% of target. After factoring in individual performance, the CNG Committee awarded NEO STIs as percentage of salary as follows: Ernie Ortiz: 100%; Dominique Barker: 100%; Mark Wellings: 100%; Philip Panet: 100%. Mr. Levinsky waived his STI award for 2023.

| 2023 Corporate Objectives and Results |        |   |  |  |        |
|---------------------------------------|--------|---|--|--|--------|
| Value Driver                          | Weight | Description   | 2023 Objectives  | Outcomes   | Result |
| <i>Grow and Optimize Value</i>        | 40%    | Grow value of portfolio through deals and organically via existing portfolio                    | <ul style="list-style-type: none"> <li>• Effective capital allocation and asset optimization</li> <li>• Execute accretive royalty acquisitions</li> <li>• Manage transition of royalties into cash flow producing assets</li> <li>• Foster organic growth in existing royalty portfolio</li> </ul> | <ul style="list-style-type: none"> <li>• 8 new royalties in 2023</li> <li>• 2 royalties commenced production in 2023</li> <li>• Resource expansions during 2023 on 7 royalty projects</li> <li>• Maiden resources during 2023 on 4 royalty projects</li> </ul>   | Meets  |
| <i>Financial Performance</i>          | 10%    | Financial performance based on revenue, earnings, capital allocation and balance sheet strength | <ul style="list-style-type: none"> <li>• Manage G&amp;A expenses</li> <li>• Develop public company finance function, including public financial reporting, management information systems and tax management</li> </ul>  | <ul style="list-style-type: none"> <li>• CFO, VP Finance and control join Finance team during 2023</li> <li>• New accounting system implemented</li> <li>• Financial controls implemented</li> <li>• Public financial reporting processes implemented</li> </ul> | Meets  |
| <i>Enterprise Risk Management</i>     | 10%    | Manage portfolio and business risk with effective ERM and ongoing risk optimization assessment  | <ul style="list-style-type: none"> <li>• Develop effective risk management program</li> <li>• Build management foundation as a public company</li> <li>• Develop program to monitor and manage royalty assets</li> </ul>   | <ul style="list-style-type: none"> <li>• Public company disclosure reporting implemented</li> <li>• 11 policies adopted, including code of conduct</li> <li>• Information reporting processes implemented for producing royalty partners</li> </ul>              | Meets  |

|                                   |     |   |  |  |       |
|-----------------------------------|-----|---|--|--|-------|
| <i>Sustainability Performance</i> | 10% | Effective due diligence to avoid value dilutive partnerships, ongoing investment and management to support sustainability goals | <ul style="list-style-type: none"> <li>• Expand sustainability program</li> <li>• Monitor sustainability performance of project operator partners</li> <li>• Maintain favorable external ratings</li> <li>• Expand sustainability due diligence to support transactions and assess risk</li> </ul> | <ul style="list-style-type: none"> <li>• Implemented Sustainability Committee charter</li> <li>• Advanced ESG policy framework</li> <li>• Continued as PRI signatory</li> <li>• Attended COP28</li> </ul>  | Meets |
| <i>Corporate Priorities</i>       | 30% | Strategic initiatives to pursue sustained value creation  | <ul style="list-style-type: none"> <li>• Execute a successful IPO during 2023</li> <li>• Establish strong Board oversight and governance framework</li> <li>• Develop investor relations competency</li> <li>• Develop talent to enable value growth</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Completed successful IPO in March 2023</li> <li>• 6 board meetings and 12 committee meetings</li> <li>• Investor relations function established</li> <li>• Met 190 investors and attended 15 investor conferences following IPO during 2023</li> <li>• Social media presence</li> </ul> | Meets |

### 2024 Short-Term Incentive Plan

The CNG Committee has approved the following framework and set objectives aligned with our Company strategy for 2024. The CNG Committee has also reviewed and approved the individual objectives of the management team that supports the achievement of the Company's objectives and aligns with our strategy. The STI framework allows for sufficient flexibility to adjust the weightings and objectives annually to ensure alignment and materiality are appropriately considered while maintaining consistency across the framework.

| 2024 Short-Term Incentive Plan – Award Framework |   |  |
|--|---|--|
| Value Driver                                     | Description   | 2024 Objectives  |
| <i>Grow and Optimize Value</i>                   | Grow value of portfolio through deals and organically via existing portfolio  | <ul style="list-style-type: none"> <li>• Effective capital allocation and asset optimization</li> <li>• Execute accretive royalty acquisitions</li> <li>• Manage transition of royalties into cash flow producing assets</li> <li>• Foster organic growth in existing royalty portfolio</li> </ul> |
| <i>Financial Performance</i>                     | Financial performance based on revenue, earnings, capital allocation and balance sheet strength                                 | <ul style="list-style-type: none"> <li>• Manage G&amp;A expenses</li> <li>• Optimize public company finance function, including public financial reporting, management information systems and tax management</li> </ul>   |
| <i>Enterprise Risk Management</i>                | Manage portfolio and business risk with effective ERM and ongoing risk optimization assessment                                  | <ul style="list-style-type: none"> <li>• Expand effective risk management program</li> <li>• Monitor and manage royalty assets</li> </ul>  |
| <i>Sustainability Performance</i>                | Effective due diligence to avoid value dilutive partnerships, ongoing investment and management to support sustainability goals | <ul style="list-style-type: none"> <li>• Expand sustainability program</li> <li>• Monitor sustainability performance of project operator partners</li> <li>• Maintain favorable external ratings</li> <li>• Sustainability due diligence to support transactions and assess risk</li> </ul>        |

|                             |  |  |
|-----------------------------|--|--|
| <i>Corporate Priorities</i> | Strategic initiatives to pursue sustained value creation | <ul style="list-style-type: none"> <li>• Maintain strong Board oversight and governance framework</li> <li>• Foster investor relations competency</li> <li>• Retain and develop talent to enable value growth</li> </ul> |
|-----------------------------|--|--|

*Long-Term Equity Incentive Plans*

Equity awards are granted under the Company's Omnibus Plan and may be in the form of RSUs, stock options and PSUs (collectively, "Awards").

In March 2023, at the time of the Company's initial public offering ("IPO"), the Company granted RSUs to each of the NEOs under the Omnibus Plan, at target, as set out in the table below. The grants were based on each NEO's long-term incentive target and weighted 100% in RSUs. The Company has chosen this weighting to RSUs for its overall relationship to performance. The number of RSUs granted was determined using the IPO price of C\$17 per common share. The RSUs vest as to one-third on each of the first three anniversaries of their grant dates.

In addition, certain of our NEOs were granted separate one-time awards at the time of the IPO, as set out in the final column of the table below. One half of these RSUs vest after one year, with the remainder of these RSUs vesting as to one-third on each of the first three anniversaries of their grant date in March 2023.

| NEO                             | Target<br>(% of base salary) | Target<br>(\$) | Number of RSUs<br>as LTI Award | Number of RSUs<br>as One-Time Grant |
|---------------------------------|------------------------------|----------------|--------------------------------|-------------------------------------|
| Blair Levinsky                  | Not applicable <sup>1</sup>  | 500,000        | 40,453                         | -                                   |
| Ernie Ortiz                     | 167%                         | 500,000        | 40,453                         | 202,265                             |
| Dominique Barker <sup>2,3</sup> | 150%                         | 222,272        | 17,647                         | 29,412                              |
| Mark Wellings <sup>2</sup>      | 150%                         | 222,272        | 17,647                         | 11,765                              |
| Philip Panet <sup>2,4</sup>     | 75%                          | 111,136        | 8,824                          | -                                   |

Notes:

- 1 Mr. Levinsky waived his base salary for 2023. His LTI award is set as a target dollar value.
- 2 Base salaries in respect of the NEOs (other than Mr. Ortiz) were paid in C\$. LTI target values for these NEOs have been converted to US\$ for reporting purposes using the Bank of Canada daily average Canadian/U.S. dollar exchange rate for 2023 of 1.3497.
- 3 Unlike her salary and STI award, Ms. Barker's LTI award was not pro-rated to her actual period of service during 2023, as the LTI award was granted at the time of the IPO.
- 4 Mr. Panet received a direct LTI award from the Company for 2023. His LTI was not adjusted based on his relative time allocation between activities of the Company and Waratah, as it was granted at the time of the IPO.

It has been determined that the LTI grant in 2024 will be comprised of RSUs to continue to align management's interests with those of shareholders.

*RSUs*

The terms and conditions of grants of RSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to the awards, are set out in each participant's grant agreement. The RSUs are governed by our Omnibus Plan, the material features of which are summarized below.

## *Stock Options and PSUs*

While the Omnibus Plan also allows us to grant stock options and PSUs, the CNG Committee has elected to defer the use of these forms for compensation to incentivize our executive officers at this time, until such time that a reasonable history of performance has been established to support the achievement of specific performance metrics.

## *Omnibus Equity Incentive Plan*

The material features of our Omnibus Plan are summarized below.

### *Administration and Eligibility*

The Omnibus Plan is administered by our Board, and the Board may, in its discretion, delegate its administrative powers to the CNG Committee. Employees and consultants of the Company and its designated affiliates are eligible to participate in the Omnibus Plan. Non-employee directors are not eligible to participate in the Omnibus Plan.

### *Common Shares Subject to the Omnibus Plan and Participation Limits*

The maximum number of Common Shares available for issuance under the Omnibus Plan is 5% of the issued and outstanding Equity Shares from time to time. The Omnibus Plan is considered to be an "evergreen" plan pursuant to the rules of the TSX, since the Common Shares covered by awards which have been exercised or terminated will be available for subsequent grants under the Omnibus Plan and the total number of awards available for grant will increase as the number of issued and outstanding Equity Shares increases. The TSX requires that we seek continued approval of a majority of the votes cast by our shareholders for all unallocated awards under the Omnibus Plan every three years. As of the Record Date, there were **2,354,925** Common Shares available for issuance under the Omnibus Plan.

No more than 5% of the outstanding Equity Shares, in aggregate, may be issued under the Omnibus Plan or pursuant to any other security-based compensation arrangements of the Company to any one person. The number of Common Shares that may be (i) issued to insiders of the Company in any one-year period, or (ii) issuable to insiders of the Company at any time, in each case, under the Omnibus Plan alone, or when combined with all of the Company's other security-based compensation arrangements, cannot exceed in aggregate 10% of the outstanding Equity Shares.

### *Stock Options*

The exercise price for stock options will be determined by our Board, which may not be less than the fair market value of a Common Share (being the closing price of a Common Share on the TSX on the last trading day immediately prior to the applicable date (the "**Market Value**")) on the date the stock option is granted. Stock options will vest in accordance with the vesting schedule established on the grant date, which is generally expected to be 33% on each of the first three anniversaries of the grant date.

Stock options must be exercised within a period fixed by our Board that may not exceed 7 years from the date of grant, provided that if the expiry date falls during a blackout period, the expiry date will be automatically extended until 10 business days after the end of the blackout period. The Omnibus Plan also provides for earlier expiration of stock options upon the occurrence of certain events, including the termination of a participant's employment.

In order to facilitate the payment of the exercise price of the stock options, the Omnibus Plan has a cashless exercise feature (with a full deduction from the number of Common Shares available for issuance under the Omnibus Plan). The cashless exercise feature permits a participant to receive (i) an amount in cash equal to the cash proceeds realized upon the sale of the Common Shares underlying the stock options by a securities dealer in the capital markets, less the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, (ii) an aggregate number of Common Shares that is equal to the number of Common Shares underlying the stock options, minus the number of Common Shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer, or (iii) a combination of (i) and (ii).

### *RSUs and PSUs*

The terms and conditions of grants of RSUs or PSUs, including the quantity, type of award, grant date, vesting conditions, vesting periods, settlement date and other terms and conditions with respect to the awards, are set out in the participant's grant agreement.

In the case of PSUs, the performance-related vesting conditions may include financial or operational performance of the Company, total shareholder return (either absolute or relative or both), individual performance criteria or other criteria as determined by our Board, which will be measured over a specified period, generally until the end of the third calendar year from the date of the grant.

Subject to the achievement of the applicable vesting and performance-related (if applicable) conditions, on the settlement date of an RSU or PSU, the Company will either, in its sole discretion, (i) issue from treasury the number of Common Shares covered by the RSUs or PSUs and related Dividend Share Units (as defined below), or (ii) deliver to the participant an amount in cash (net of applicable withholding taxes) equal to the number of Common Shares covered by the RSUs or PSUs and related Dividend Share Units multiplied by the Market Value as at the settlement date.

### *Dividend Share Units*

When dividends (other than stock dividends) are paid on Equity Shares, additional share units ("Dividend Share Units") will be automatically credited to each participant who holds RSUs or PSUs on the record date for such dividends. The number of Dividend Share Units to be credited to a participant is equal to the aggregate number of RSUs and PSUs held by the participant on the relevant record date multiplied by the amount of the dividend paid by the Company on each Equity Share, and then divided by the Market Value of one Common Share on the dividend payment date. Dividend Share Units credited to a participant will be subject to the same vesting conditions applicable to the related RSUs or PSUs.

### *Burn Rate*

The annual burn rate for each security-based compensation arrangement for the most recently completed financial year, expressed as a percentage and calculated by dividing the number of awards granted during the financial year by the weighted average number of Equity Shares outstanding for the financial year, is set forth in the following table:

| <b>Burn Rate</b>  | <b>2023 (%)</b> | <b>2022 (%)</b> |
|---|-----------------|-----------------|
| Number of RSUs and Options granted / Weighted average number of Equity Shares outstanding at year end | 0.7%            | Not applicable  |

### Securities Authorized for Issuance under the Omnibus Plan

The following table sets forth the securities of the Company that are authorized for issuance under the Omnibus Plan as at the end of the Company's most recently completed fiscal year.

| Plan Category  | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted average exercise price of outstanding options, warrants and rights <sup>2</sup> | Number of securities remaining available for future issuance under equity compensation plan (excluding securities underlying outstanding options and rights) |
|--|---|--|--|
| Equity incentive plans approved by security holders <sup>1</sup> | 391,999   | Nil  | 2,372,285  |
| Equity incentive plans not approved by security holders          | Nil   | Nil  | Nil  |
| Total  | 391,999   | Nil  | 2,372,285  |

Notes:

1 Includes the Omnibus Plan as implemented at the time of the IPO in March 2023.

2 There are currently no options, warrants or rights outstanding under the Omnibus Plan.

### Termination Of Employment And Services

Unless otherwise determined by our Board, upon an employee participant's termination of employment, all right, title and interest in awards granted to the participant under the Omnibus Plan that are vested or unvested on the termination date will be handled according to the following table:

|                            | RSUs  | PSUs  | Stock Options   |
|----------------------------|---|---|---|
| <b>Separation</b>          |   |   |   |
| Resignation.....           | Forfeit unvested  | Forfeit Unvested  | Forfeit unvested<br>60 days to exercise vested  |
| Death.....                 | Accelerated vesting   | If more than 12 months through performance period, vests based on performance to date; if less than 12 months through performance period, vest based on target performance  | Accelerated vesting<br>1 year to exercise vested  |
| Retirement/Disability..... | Continued vesting over remaining vesting period                   | Continued vesting over remaining vesting period   | Continued vesting over remaining vesting period   |
| <b>Termination</b>         |   |   |   |
| Not for Cause.....         | Vest through applicable severance period, then forfeit thereafter | If more than 18 months through performance period at termination date, vest based on performance to end of applicable severance period; if less than 18 months through performance period at termination date, forfeit unvested | Vest through applicable severance period, then forfeit thereafter<br>90 days to exercise vested |



| For Cause.....   | Forfeit unvested    | Forfeit unvested  | Forfeit unvested<br>30 days to exercise vested   |
|--|---------------------|---|--|
| Change of Control <sup>1</sup> & termination/good reason (double trigger)..... | Accelerated vesting | If more than 12 months through performance period, vest based on performance to date; if less than 12 months through performance period, vest based on target performance | Accelerated vesting<br>1 year to exercise vested |

Notes:

1 Eligible if termination without cause or resignation for good reason occurs within 12 months following the change of control event.

Unless otherwise determined by our Board, (i) if a consultant participant's service is terminated for cause, all awards held by the participant on the participant's termination date, whether vested or unvested, will automatically terminate and be of no further force or effect, and (ii) if a consultant participant's service is terminated for any other reason, (x) all unvested awards held by the participant on the participant's termination date will automatically terminate and be of no further force or effect, and (y) the consultant participant will have 60 days or such shorter period as is remaining in the term of the vested stock options to exercise any vested stock options.

For purposes of the Omnibus Plan, the Service NEOs are treated as consultants, except that where a Service NEO's services are terminated by the Company under the Services Agreement other than for reasons analogous to cause if such Service NEO were an employee of the Company, the Service NEO's awards will be treated as if the Service NEO had retired.

*Change of Control*

In the event of a change of control, the surviving, successor or acquiring entity may assume any outstanding awards or substitute similar awards for the outstanding awards, as applicable. If the surviving, successor or acquiring entity does not assume the outstanding awards or substitute similar awards for the outstanding awards, as applicable, or if the Board otherwise determines in its discretion, the Company will give written notice to all participants advising that the Omnibus Plan will be terminated effective immediately prior to the change of control and all stock options and RSUs (and related Dividend Share Units) and a specified number of PSUs (and related Dividend Share Units) will be deemed to be vested and, unless otherwise exercised, settled, forfeited or cancelled prior to the termination of the Omnibus Plan, will expire or, with respect to RSUs and PSUs, be settled, immediately prior to the termination of the Omnibus Plan. The number of PSUs which will be deemed to be vested will be determined by the Board, in its sole discretion, having regard to the level of achievement of the applicable performance vesting conditions prior to the change of control.

In the event of a change of control, the Board has the power to: (i) make such other changes to the terms of the awards as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the participants; (ii) otherwise modify the terms of the awards to assist the participants to tender into a takeover bid or other arrangement leading to a change of control, and thereafter; and (iii) terminate, conditionally or otherwise, the awards not exercised or settled, as applicable, following successful completion of such change of control. If the change of control is not completed within the specified time (as the same may be extended), the awards which vest will be returned by the Company to the participant and, if exercised or settled, as applicable, the Common Shares issued on such exercise or settlement will be reinstated as authorized but unissued Common Shares and the original terms applicable to such awards will be reinstated.

### *Adjustments*

In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, arrangement, consolidation, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the capital of the Company affecting Common Shares (collectively, "**Adjustment Events**"), our Board will make such proportionate adjustments, if any, which may include an exchange of options for new options, as it deems appropriate to reflect such change with respect to the number or kind of securities subject to outstanding awards, the exercise price of outstanding stock options and the number of RSUs or PSUs credited to a participant, in order to preserve proportionately the rights and obligations of the participants under the Omnibus Plan.

### *Amendment and Termination*

Our Board will be able to amend, suspend or terminate the Omnibus Plan or any award, subject to applicable law and stock exchange rules that requires the approval of shareholders or any governmental or regulatory body, provided that no such action may be taken that materially adversely alters or impairs any rights of a participant under any award previously granted, without the consent of such participant.

Our Board will be able to make certain amendments to the Omnibus Plan or to any award outstanding thereunder without seeking shareholder approval, including housekeeping amendments, amendments to comply with applicable law or stock exchange rules, amendments to reduce or restrict participation or amendments to the vesting, termination or early termination provisions of the Omnibus Plan. The following types of amendments will not be able to be made without obtaining shareholder approval:

- increasing the number of Common Shares available for issuance under the Omnibus Plan;
- increasing the length of the period after a blackout period during which stock options may be exercised;
- causing the exercise price of a stock option to be below Market Value on the grant date;
- permitting the introduction or reintroduction of non-employee directors as eligible participants on a discretionary basis or any amendment that increases the limits previously imposed on non-employee director participation;
- removing or exceeding the insider participation limit specified under "Common Shares Subject to the Omnibus Plan and Participation Limits";
- reducing the exercise price of a stock option or allowing for the cancellation and reissuance of a stock option, which would be considered a repricing under the rules of the TSX, except, in each case, pursuant to an Adjustment Event;
- extending the expiry date of an award, except for an automatic extension of an award that expires during or shortly following a blackout period;
- permitting awards to be transferred or assigned other than for normal estate settlement purposes;
- amending the amendment provision under the Omnibus Plan; and

- any other amendment required to be approved by security holders under applicable law or the rules, regulations and policies of the TSX.

### *Assignment*

Except as required by law, the rights of a participant under the Omnibus Plan are not transferable or assignable.

### *Benefit Plans*

The Company currently provides certain of its executive officers, but not including either the Chief Executive Officer or the Service NEOs, with a health care spending account, life, short-term and long-term disability, health (including medical and prescription drug coverage), and travel insurance coverage on the same basis as other employees of the Company. The Company intends to offer these benefits consistent with local market practice.

### *Perquisites*

The Company does not offer significant perquisites as part of the compensation program.

### **Risk and Executive Compensation**

In reviewing our compensation policies and practices each year, the CNG Committee seeks to ensure that the executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of the Company. The CNG Committee also seeks to ensure that our compensation practices do not encourage excessive risk-taking behavior by the executive team. The key risk-mitigating practices that we have incorporated into our compensation program are discussed below.

### *NEO Share Ownership Guidelines*

The Company has established executive share ownership guidelines to further align the interests of its NEOs, including the Service NEOs, with those of the Company's shareholders. The ownership guidelines establish minimum equity ownership levels for NEOs based on a multiple of their base salaries and their levels of seniority. NEOs are expected to meet the prescribed ownership levels within five years of the later of completion of the initial public offering and the date of their appointment to an executive officer position. The equity ownership interest may be satisfied through the value of (a) Common Shares, (b) vested and unvested RSUs, and (c) such other equity-based incentives as determined by the Board from time to time, in each case, held directly or indirectly by the NEO.

The Company may exempt an NEO from these guidelines where the NEO otherwise has comparable economic exposure to the Company. Given their continued economic exposure to the Company through their respective interests in the Waratah Funds, the Executive Chair, CEO and Vice Chair and Executive Vice President, Technical have been exempted from these guidelines. However, their indirect ownership interests have been presented in the table below for comparison.

The following table shows the guidelines for NEOs and their current ownership levels as of the Record Date:

| Position  | Base Salary Multiple Requirement <sup>1</sup> | Current Ownership Multiple <sup>2</sup> | Common Shares | RSUs    | Indirect Exposure <sup>4</sup> | Value of Common Shares/RSUs |
|---|---|---|---------------|---------|--------------------------------|-----------------------------|
| Executive Chair <sup>1</sup>                                    | N/A   | N/A                                     | 367,730       | 40,453  | 1,103,045                      | 7,515,798                   |
| CEO <sup>1</sup>  | N/A   | 5.2                                     | 30,000        | 242,718 | 42,345                         | 1,566,904                   |
| CFO and Head of Sustainability                                  | 5x  | 2.0                                     | 11,812        | 47,059  | -                              | 292,783                     |
| Vice Chair and Executive Vice President, Technical <sup>1</sup> | N/A   | 18.1                                    | 13,510        | 29,412  | 488,867                        | 2,644,749                   |
| Chief Operating Officer and Vice President, Legal               | 2x  | 1.4                                     | 32,650        | 8,824   | -                              | 206,263                     |

Notes:

- 1 The Executive Chair, CEO and Vice Chair and Executive Vice President, Technical have been exempted from these guidelines on the basis of their continued economic exposure to the Company through their respective interests in the Waratah Funds. Mr. Levinsky also waived his base salary for 2023, so it is not possible to calculate a salary multiple for Mr. Levinsky.
- 2 Based on a Canadian/U.S. dollar exchange rate of 1.3673 and the closing price of the Common Shares on the TSX of C\$6.80, each as of the Record Date.
- 3 Base salary multiples are based on 2023 annualized base salaries as disclosed under "NEO Salary Levels".
- 4 Represents their indirect economic exposure to the Company through their respective interests in the Waratah Funds.

Notwithstanding their purchases of Common Shares during 2023, the current ownership multiples for Ms. Barker and Mr. Panet have reduced materially since the time of the IPO as a result of the significant decrease in the share price of the Common Shares. At the time of the IPO, based only on their RSU holdings at that time, the multiple for Ms. Barker was 4x and for Mr. Panet was 0.75x.

Additionally, if an executive officer has not achieved the minimum equity investment under the executive share ownership guidelines within the prescribed time allotment, at the time any stock options are being exercised, the executive officer will be required to continue to hold at least 50% or such lesser number of the Common Shares issuable upon the exercise as required to achieve the minimum equity ownership requirements, or in the event of the vesting of RSUs or PSUs, at least 50% or such lesser amount from the proceeds from the settlement of such awards must be applied to the purchase of Common Shares on the open market as required to achieve the minimum equity ownership requirements.

### *Trading Restrictions and Anti-Hedging Policy*

Given our small team size and cohesive work practices, all of our directors, officers and employees, including the Service NEOs, are subject to our insider trading and anti-hedging policy. This policy prohibits trading in our securities while in possession of material undisclosed information about the Company. Under this policy, directors and employees are also prohibited from entering into certain types of hedging transactions involving our securities, such as short sales, puts, calls, prepaid variable forward contracts and equity swaps. We will permit directors and employees to trade in our securities, including the exercise of stock options, only during prescribed trading windows and otherwise in accordance with our policy.

### *Compensation Recovery Policy*

We have adopted a compensation recovery policy relating to annual bonus payments and other incentive compensation to executives, including with Waratah with respect to the Service NEOs, that may be

triggered if an executive engages in fraudulent or other intentional misconduct that results in the need to restate our financial statements where the individual received an award calculated on the achievement of those financial statements and the award received would have been lower had the financial statements been properly reported. The compensation recovery policy also provides that a recovery may be triggered if an executive (including any Service NEO) engages in fraud, fraudulent misrepresentation, theft, embezzlement or other intentional and serious misconduct. The policy requires that when the recovery is triggered, the executive (or Waratah, in the case of any Service NEO) must repay the excess annual bonus payments and incentive payments received over the specified period preceding the triggering event.

## Employment Agreements

### *Service NEOs*

Our Service NEOs do not have employment agreements with us. Their employment or consulting arrangements are with Waratah or its affiliates. As described elsewhere in this Circular, pursuant to the Services Agreement, we have agreed to reimburse Waratah for the compensation paid by Waratah to the Service NEOs for the services that they perform for the Company. However, we do not anticipate reimbursing Waratah for salary amounts associated with Mr. Levinsky in 2024, as Mr. Levinsky has waived his salary compensation from the Company for 2024.

### *Ernie Ortiz, President and Chief Executive Officer*

Mr. Ortiz's employment agreement is with LRC Services US LLC, a wholly-owned subsidiary of the Company. His compensation is comprised of his current base salary of \$330,000, an annual cash performance bonus (currently targeted at 100% of his base salary), benefits and participation in the Omnibus Plan.

The employment agreement with Mr. Ortiz specifies the amounts or benefits payable, including severance, to him in the event that his employment is terminated (see "— Termination and Change of Control Benefits" below for further details).

The employment agreement contains confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which will be in effect during his employment and for the 12 months following the termination of his employment.

### *Dominique Barker, Chief Financial Officer and Head of Sustainability*

Ms. Barker's employment agreement is with the Company. Her compensation is comprised of her current base salary of C\$220,000, an annual cash performance bonus (currently targeted between 100% and 150%), benefits and participation in the Omnibus Plan.

The employment agreement with Ms. Barker specifies the amounts or benefits payable, including severance, to her in the event that her employment is terminated (see "— Termination and Change of Control Benefits" below for further details).

The employment agreement also contains confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of her employment, including non-competition and non-solicitation provisions which are in effect during her employment and for the 12 months following the termination of her employment.

**Mark Wellings, Vice Chair and Executive Vice President, Technical**

Mr. Wellings' employment agreement is with the Company. His compensation is comprised of his current base salary of C\$220,000, an annual cash performance bonus target of 100%, benefits and participation in the Omnibus Plan.

The employment agreement with Mr. Wellings specifies the amounts or benefits payable, including severance, to him in the event that his employment is terminated (see "— Termination and Change of Control Benefits" below for further details).

The employment agreement also contains confidentiality and non-disparagement covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which are in effect during his employment and for the 12 months following the termination of his employment.

**Termination and Change of Control Benefits**

For a summary of the termination and change of control benefits provided under the Omnibus Plan, please refer to the "Components of Compensation — Long-term Incentive Plans — Termination Of Employment And Services" section above. The table below provides a summary of the termination and change of control benefits provided under each NEO's employment agreement:

|                             | Severance  | Bonus   | Benefits            |
|-----------------------------|--|---|---------------------|
| <b>Separation</b>           |  |   |                     |
| Resignation.....            | None   | None  | None                |
| Death.....                  | None   | Pro-rata stub bonus for current year to terminate date  | 2 months            |
| Retirement/Disability ..... | None/Per LTD plan (at least minimum statutory requirements)  | Pro-rata stub bonus for current year to termination date  | None / Per LTD plan |
| <b>Termination</b>          |  |   |                     |
| Not for Cause.....          | CEO: 18 months + 1 month/year of service (max 24 months)<br>CFO: 12 months + 12 months after three years of employment (max 24 months) (the "Without Cause Notice Period")<br>EVP: 12 months + 1 month/year of service (max 18 months)<br>VP: 6 months + 1 month/year of service (max 12 months) | CEO: Target bonus opportunity divided by 12, then multiplied by the number of months in the severance period, plus pro-rata stub bonus for current year to termination date<br>CFO: Average amount of the bonus earned over the prior three years pro-rata for current year to termination date, plus average amount of the bonus earned over the prior three years pro-rated to the Without Cause Notice Period, plus an amount equal to the average of the Awards granted over the prior three years pro-rated. <sup>1</sup><br><br>EVP: Target bonus opportunity divided by 12, then multiplied by the number of months in the severance period, plus pro-rata stub bonus for current year to termination date |                     |

|  |           |   |      |
|--|-----------|---|------|
| For Cause.....   | None      | None  | None |
| Change of Control <sup>1</sup><br>and termination/good<br>reason <sup>2</sup> (double<br>trigger)..... | 24 months | Target bonus opportunity divided by 12,<br>then multiplied by the number of months in<br>the severance period, plus pro-rata stub<br>bonus for current year to termination date | None |

Notes:

- 1 For the CFO only, at the CFO's election, as a complete alternative, the greater of (1) the minimum entitlements required pursuant to the *Employment Standards Act, 2000* (Ontario) (including notice, termination and severance pay, wages, benefits and vacation pay); and (2) base salary for 12 months only (the "**Alternative Without Cause Notice Period**"), plus any bonus awarded but not yet paid, plus average amount of bonus earned over the prior three years pro-rata for current year to termination date, plus average amount of bonus earned over the prior three years pro-rated to the Alternative Without Cause Notice Period, plus the immediate vesting of any Awards that would have vested within the period ending six months after the date of termination.
- 2 Eligible if termination without cause or resignation for good reason occurs within 12 months following the change of control event.

The table below provides a summary of the anticipated incremental costs associated with various termination events.

| Name and Principal Position <sup>1</sup>                  | Event                     | Severance and Bonus (\$) <sup>2</sup> | Other Payments (\$) <sup>2</sup> | Total (\$) <sup>2</sup> |
|---|---------------------------|---------------------------------------|----------------------------------|-------------------------|
| Ernie Ortiz   | Termination without cause | 950,000                               | Nil                              | 950,000                 |
| <i>President and Chief Executive Officer</i>              | Change of Control         | 1,200,000                             | Nil                              | 1,200,000               |
| Dominique Barker <sup>2</sup>                             | Termination without cause | 333,407                               | Nil                              | 333,407                 |
| <i>Chief Financial Officer and Head of Sustainability</i> | Change of Control         | 666,815                               | Nil                              | 666,815                 |
| Mark Wellings   | Termination without cause | 321,059                               | Nil                              | 321,059                 |
| <i>Vice Chair and Executive Vice President, Technical</i> | Change of Control         | 592,724                               | Nil                              | 592,724                 |

Notes:

- 1 Not applicable to Service NEOs.
- 2 Anticipated termination costs in respect of the NEOs above (other than Mr. Ortiz) would be determined and paid in C\$ and have been converted to US\$ for reporting purposes using the Bank of Canada daily average Canadian/U.S. dollar exchange rate for 2023 of 1.3497.

## Summary Compensation Table

The following table sets out information concerning the compensation earned by, or paid or awarded to, each of the NEOs in fiscal 2023. All amounts are presented in US\$.

| Name  | Year | Base Salary <sup>4</sup> | Share-based Awards <sup>5</sup> | Option-Based Awards | Annual Incentive Plans | Long-Term Incentive Plans | All Other Compensation <sup>6</sup> | Total     |
|---|------|--------------------------|---------------------------------|---------------------|------------------------|---------------------------|-------------------------------------|-----------|
| <b>Blair Levinsky<sup>1</sup></b><br><i>Executive Chair</i>                                       | 2023 | -                        | 500,000                         | -                   | -                      | -                         | -                                   | 500,000   |
| <b>Ernie Ortiz<sup>2</sup></b><br><i>President and Chief Executive Officer</i>                    | 2023 | 241,470                  | 2,800,000                       | -                   | 300,000                | -                         | 304,247                             | 3,645,717 |
| <b>Dominique Barker<sup>3</sup></b><br><i>Chief Financial Officer and Head of Sustainability</i>  | 2023 | 113,754                  | 580,341                         | -                   | 144,628                | -                         | -                                   | 838,573   |
| <b>Mark Wellings<sup>3</sup></b><br><i>Vice Chair and Executive Vice President, Technical</i>     | 2023 | 111,136                  | 362,713                         | -                   | 148,181                | -                         | -                                   | 622,030   |
| <b>Philip de L. Panet<sup>3</sup></b><br><i>Chief Operating Officer and Vice President, Legal</i> | 2023 | 89,217                   | 108,814                         | -                   | 118,545                | -                         | -                                   | 316,576   |

Notes:

- 1 Mr. Levinsky waived his base salary and STI award for 2023.
- 2 Mr. Ortiz became an employee of the Company on the closing date of the IPO. Amounts included under "All Other Compensation" represent amounts paid by the Company to Mr. Ortiz prior to the IPO during 2023 and are not a component of his current employment arrangements with the Company.
- 3 Compensation in respect of the NEOs other than Mr. Ortiz is determined and paid in C\$ and have been converted to US\$ for reporting purposes using the Bank of Canada daily average Canadian/U.S. dollar exchange rate for 2023 of 1.3497.
- 4 Base salary paid in 2023 is less than annual base salary, as the engagement of NEOs commenced on or after the IPO in March 2023.
- 5 Share-based awards include STI RSU awards earned in 2023 and one-time IPO grant of RSUs to CEO, CFO and Vice Chair / EVP. The value of these awards is based on the IPO price of C\$17 per common share and have been converted to US\$ for reporting purposes using the Bank of Canada Canadian/U.S. dollar exchange rate for the grant date of 1.3785.
- 6 None of the NEOs are entitled to perquisites or other personal benefits which, in aggregate, are worth over \$50,000 or over 10% of their base salary.

## Outstanding Share-Based Awards And Option-Based Awards

The following table sets forth for each NEO all awards outstanding at the end of 2023, denoted in USD, unless otherwise specified.



| Name  | Option-based Awards                                 |                |                    | Share-based Awards                             |  |   |  |
|---|---|----------------|--------------------|--|--|---|--|
|   | Number of Securities Underlying Unexercised Options | Exercise Price | Option Expiry Date | Value of Unexercised In-the-money Options (\$) | Number of Shares or Units of Shares that Have Not Vested | Market or Payout Value of Share-based Awards that Have Not Vested <sup>1</sup> (\$) | Market or Payout Value of Vested Share-based Awards Not Paid Out or Distributed <sup>1</sup> |
| <b>Blair Levinsky</b><br><i>Executive Chair</i>                                       | -   | -              | -                  | -  | 40,453   | 271,603   | -  |
| <b>Ernie Ortiz</b><br><i>President and Chief Executive Officer</i>                    | -   | -              | -                  | -  | 242,718  | 1,629,620   | -  |
| <b>Dominique Barker</b><br><i>Chief Financial Officer and Head of Sustainability</i>  | -   | -              | -                  | -  | 47,059   | 315,956   | -  |
| <b>Mark Wellings</b><br><i>Vice Chair and Executive Vice President, Technical</i>     | -   | -              | -                  | -  | 29,412   | 197,474   | -  |
| <b>Philip de L. Panet</b><br><i>Chief Operating Officer and Vice President, Legal</i> | -   | -              | -                  | -  | 8,824  | 59,245  | -  |

Notes:

1 Calculated using the closing price of the Company's Common Shares on the TSX on December 29, 2023 of C\$8.88 and converted to US\$ for reporting purposes using the Bank of Canada Canadian/U.S. dollar exchange rate for December 31, 2023 of 1.3226.

### Incentive Plan Awards – Value Vested Or Earned During The Year

| Name  | Share-Based Awards                      |  |  |
|---|---|--|--|
|   | Option-based Awards – Value Vested (\$) | Share-based Awards – Value Vested (\$) | Non-equity Incentive Plan Compensation Value Earned During the Year (\$) |
| <b>Blair Levinsky<sup>(1)</sup></b><br><i>Executive Chair</i>                                       | -                                       | -                                      | -  |
| <b>Ernie Ortiz</b><br><i>President and Chief Executive Officer</i>                                  | -                                       | -                                      | -  |
| <b>Dominique Barker<sup>(6)</sup></b><br><i>Chief Financial Officer and Head of Sustainability</i>  | -                                       | -                                      | -  |
| <b>Mark Wellings</b><br><i>Vice Chair and Executive Vice President, Technical</i>                   | -                                       | -                                      | -  |
| <b>Philip de L. Panet<sup>(1)</sup></b><br><i>Chief Operating Officer and Vice President, Legal</i> | -                                       | -                                      | -  |

Notes:

1 The only outstanding share-based awards during 2023 were RSUs granted at the time of the IPO, comprised of one-time IPO granted issued to certain NEOs and STI awards of RSUs for 2023. None of those RSUs vested during 2023.

## DIRECTOR COMPENSATION

### Introduction

The following discussion describes the significant elements of the compensation program for the non-employee members of our Board and its committees who are Independent Directors, being John Kanellitsas, Liz Breen, Jesal Shah and Tamara Brown (collectively, the "**Non-Executive Directors**"). The Executive Chair, the Chief Executive Officer and the Vice Chair and Executive Vice President, Technical do not receive any additional compensation for their roles on the Board. The compensation of the Non-Executive Directors is designed to attract and retain committed and qualified directors and to align their compensation with the long-term interests of our shareholders.

### Director Compensation

Our Board, on the recommendation of our CNG Committee, is responsible for reviewing and approving any changes to the Non-Executive Directors' compensation arrangements. In consideration for serving on our Board, each Non-Executive Director is paid an annual retainer which is paid in a combination of cash and deferred share units ("**DSUs**"). Directors' compensation is not directly based on participation or attendance at Board meetings. Non-Executive Directors also have the ability to elect to take their annual cash retainer in DSUs. All directors will be reimbursed for their reasonable out-of-pocket expenses incurred while serving as directors.

The table below outlines the compensation program for our Non-Executive Directors. All amounts are in US\$.

| Position  | Annual Cash Retainer | Annual DSU Grant | Additional Chair Fee |
|---|----------------------|------------------|----------------------|
| Non-Executive Director                                  | \$50,000             | \$50,000         | -                    |
| Lead Independent Director                               | \$70,000             | \$50,000         | -                    |
| Audit Committee Chair                                   | -                    | -                | \$15,000             |
| Compensation, Nominating and Governance Committee Chair | -                    | -                | \$12,000             |

### *Deferred Share Unit Plan*

DSUs issued to Non-Executive Directors are governed by our Director Deferred Share Unit Plan (the "**DSU Plan**"). The DSU Plan also allows our Non-Executive Directors to elect to take all or a portion of their annual cash retainer in the form of DSUs. Each director wishing to make an election to receive all or a portion of their annual cash retainer in DSUs must do so by no later than the end of the calendar year preceding the year in which the election is to apply. Liz Breen has elected to receive all of her annual cash retainer as DSUs for 2024.

A DSU is a unit, equivalent in value to a Common Share, credited by a bookkeeping entry in the books of the Company, to an account in the name of the director. When cash dividends are paid on Common Shares, additional DSUs will automatically be granted to each director who holds DSUs on the record date for the dividends. When an eligible director no longer holds a position with the Company and its related entities, the director will receive a payment in cash at the fair market value of the Common Shares represented by their

DSUs on the director's elected redemption date. Each director's elected redemption date will not be earlier than the date the director ceases to hold all positions with the Company and its related entities and will not be later than December 15 of the year following the year in which the director ceases to hold all positions with the Company and its related entities.

### Director Share Ownership Guidelines

We have established share ownership guidelines for Non-Executive Directors to align their interests with those of our shareholders and mitigate against the likelihood of undue risk taking. The ownership guidelines establish minimum equity ownership levels for each Non-Executive Director, based on a multiple of their specified annual cash retainer. Directors are expected to meet the prescribed ownership levels within five years of the later of (i) completion of the initial public offering of the Company in March 2023, and (ii) the date of their appointment to the Board. Common Shares and the value of DSUs and other equity-based awards are included in determining an individual's equity ownership value.

At the time of the IPO, the share ownership guidelines for Non-Executive Directors were set at 10 times the annual cash retainer. The Board was concerned that this ownership multiple was unnecessarily high and determined that the appropriate ownership multiple would be reduced to 3 times the annual cash retainer, based on information provided by Lane Caputo and a review of other best practice recommendations. Lane Caputo reviewed comparable multiples for the Peer Group and noted that most of the Peer Group members had no ownership requirement for Non-Executive Directors; the most common ownership requirement (adopted by seven peers, one-third of the Peer Group) was 3 times the annual cash retainer.

The following table summarizes the ownership holdings of the Non-Executive Directors as of the Record Date:

| Position                | Annual Cash Retainer | Common Shares <sup>1</sup> | DSUs <sup>1</sup> | Value of Common Shares/DSUs <sup>2</sup> | Ownership Multiple |
|-------------------------|----------------------|----------------------------|-------------------|--|--------------------|
| Liz Breen               | \$82,000             | 1,686                      | 4,045             | 28,938                                   | 0.3                |
| John Kanellitsas        | \$50,000             | -                          | 4,045             | 20,425                                   | 0.4                |
| Tamara Brown            | \$65,000             | 3,680                      | 4,045             | 39,007                                   | 0.6                |
| Jesal Shah <sup>3</sup> | \$50,000             | -                          | -                 | -  | -                  |

Notes:

- 1 In connection with the closing of our IPO, each Non-Executive Director was issued 4,045 DSUs. These DSUs vest quarterly in arrears over a one year period, with the first quarter having vested on March 31, 2023.
- 2 Based on a Bank of Canada Canadian/U.S. dollar exchange rate of 1.3673 and the closing price of the Common Shares on the TSX of C\$6.80, each determined as of the Record Date.
- 3 Mr. Shah joined the board of directors on February 1, 2024 and has not yet received any DSU grants.

The Board also notes that the current ownership multiples for the Non-Executive Directors has reduced materially since the time of the IPO as a result of the significant decrease in the share price of the Common Shares since that time. At the time of the IPO, based only on their DSU holdings, the ownership multiples for the Non-Executive Directors were: Ms. Breen: 0.6x, Mr. Kanellitsas: 1x and Ms. Brown: 0.8x.

### Director Compensation – Board Of Directors

The following table sets out information concerning the fiscal 2023 compensation earned by, paid to, or awarded to the Board of Directors.

| Name                        | Fees Earned <sup>1</sup> | Share-based Awards <sup>2</sup> | Option-based Awards | Non-Equity Incentive Plan Compensation | Pension Value | All Other Compensation | Total   |
|-----------------------------|--------------------------|---------------------------------|---------------------|--|---------------|------------------------|---------|
| Elizabeth (Liz) Breen       | 82,000                   | 49,909                          | -                   | -                                      | -             | -                      | 131,909 |
| Blair Levinsky <sup>3</sup> | -                        | -                               | -                   | -                                      | -             | -                      | -       |
| Mark Wellings <sup>3</sup>  | -                        | -                               | -                   | -                                      | -             | -                      | -       |
| Ernie Ortiz <sup>3</sup>    | -                        | -                               | -                   | -                                      | -             | -                      | -       |
| Tamara Brown                | 65,000                   | 49,909                          | -                   | -                                      | -             | -                      | 114,909 |
| John Kanellitsas            | 50,000                   | 49,909                          | -                   | -                                      | -             | -                      | 99,909  |
| Jesal Shah <sup>4</sup>     | -                        | -                               | -                   | -                                      | -             | -                      | -       |

Notes:

- 1 Cash retainer is paid to directors in US\$.
- 2 Represents DSUs granted at the time of the IPO in March 2023 and valued based on a Bank of Canada Canadian/U.S. dollar exchange rate of 1.3778 at that time and the IPO price of the Common Shares of C\$17.00.
- 3 Waratah nominee directors are not eligible for director compensation. For more information about the compensation of each of Messrs. Levinsky, Wellings and Ortiz, please refer to the NEO Summary Compensation Table.
- 4 Mr. Shah joined the board of directors on February 1, 2024 and accordingly did not receive any compensation for fiscal 2023.

### *Outstanding Share-Based Awards*

The following grants of DSUs were awarded to the Non-Executive Directors under the DSU Plan, in USD, and remained outstanding as of December 31, 2023.

| Name                    | Number of DSUs | Market or Payout Value of Share-based Awards that have Not Vested (\$) | Market or Payout Value of Vested Share-based Awards Not Paid Out or Distributed (\$) |
|-------------------------|----------------|--|--|
| Elizabeth (Liz) Breen   | 4,045          | -  | 27,158   |
| Tamara Brown            | 4,045          | -  | 27,158   |
| John Kanellitsas        | 4,045          | -  | 27,158   |
| Jesal Shah <sup>2</sup> | -              | -  | -  |

Notes:

- 1 Under the terms of the DSU Plan, DSUs cannot be paid out until redeemed by the participant following termination of service on the board of directors. All outstanding DSU awards vested on the day they were granted. The value of DSUs is calculated based on a Bank of Canada Canadian/U.S. dollar exchange rate of 1.3226 and the closing price of the Common Shares on the TSX of C\$8.88, each determined as December 29, 2023.
- 2 Mr. Shah joined the board of directors on February 1, 2024 and has not yet received a DSU award.

## OTHER INFORMATION

### Indebtedness of Directors and Officers

None of our, or our subsidiaries', directors, executive officers, employees, former directors, former executive officers or former employees and none of their associates is or has within 30 days before the date of this Circular or at any time since the beginning of our most recently completed fiscal year been indebted to us or any of our subsidiaries or another entity whose indebtedness is subject to a guarantee, support agreement or letter of credit or other similar agreement or understanding provided by us or any of our subsidiaries.

### Interests of Certain Persons in Matters to be Acted Upon

To the best of the Company's knowledge, other than as disclosed elsewhere in this Circular, no person or company who is, or at any time during fiscal 2023, was, one of the Directors, director nominees, executive officers or any associates or affiliates of these persons has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than election of directors.

### Interests of Informed Persons in Material Transactions

Other than as otherwise disclosed in this Circular or in the "Capital Structure —Reorganization" and "Risks Related to the Ownership of our Common Shares" sections of the AIF, there are no material interests, direct or indirect, of any of our directors or executive officers, any Shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of the aggregate votes attached to the Equity Shares, or any associate or affiliate of any of the foregoing persons, in any transaction since the commencement of the Company's most recently completed fiscal year or in any proposed transaction which has materially affected or would materially affect the Company and its subsidiaries.

### Normal Course Issuer Bid

In July 2023, the Company received approval from the TSX to engage in a normal course issuer bid ("NCIB"). A copy of the Company's Notice of Intention to make a NCIB, which has been filed with the TSX, can be obtained by shareholders, without charge, by contacting the Company. Under the NCIB, the Company may acquire up to 1,236,823 of its Common Shares from time to time in accordance with the NCIB procedures of the TSX. The Company is permitted to make purchases through the facilities of the TSX and alternative trading systems, if eligible, or by such other means as permitted by the TSX or under applicable law by a registered investment dealer (or an affiliate of the dealer), including private agreement purchases. Repurchases under the NCIB are authorized until July 9, 2024. Daily purchases will be limited to 16,985 Common Shares, representing 25% of the average daily trading volume of the Common Shares on the TSX for the period from March 9, 2023 to June, 2023 (being 67,943 Common Shares), net of repurchases made by the Company during that period, except where purchases are made in accordance with the "block purchase exemption" of the TSX rules. All Common Shares that are repurchased by the Company under the NCIB will be cancelled. As at December 31, 2023, the Company had purchased 154,500 of its Common Shares under the NCIB for a total cost of \$1.296 million.

### Shareholder Proposals

There were no shareholder proposals received in relation to the Meeting during the prescribed period for submission.

Subject to the requirements set forth in Section 137 of the CBCA, an eligible shareholder may: (a) submit to the Company notice of any matter that the person proposes to raise at the next annual meeting of shareholders of the Company (a "proposal"); and (ii) discuss at such meeting any matter in respect of which the person would have been entitled to submit a proposal. Shareholder proposals must be submitted between January 13, 2025 and March 14, 2025 to be considered for inclusion in the management information circular for the purposes of the Company's next annual meeting of Shareholders.

### **Additional Information**

The Company is a reporting issuer under the applicable legislation of all of the provinces and territories of Canada and is required to file consolidated financial statements and information circulars with the various securities commissions or similar regulatory authority in each of the provinces and territories of Canada. The Company has filed its AIF which, among other things, contains all of the disclosure required by Form 52-110F1 under National Instrument 52-110 – *Audit Committees*.

Additional information relating to the Company, including the AIF and financial information provided in the Company's comparative financial statements and management's discussion and analysis ("**MD&A**") for fiscal 2023, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may obtain at no charge copies of the Company's financial statements and MD&A by making a written request to Investor Relations at 647-792-1100.

Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed fiscal year.

All dollar amounts in this circular are in United States dollars, unless otherwise indicated.

### **Approval of the Circular**

The contents and sending of this Circular have been approved by the Board of Directors.

Dated at Toronto, Ontario this 29th day of April, 2024.

BY ORDER OF THE BOARD

*"Blair Levinsky"*  
Executive Chair

APPENDIX A  
CHARTER OF THE BOARD OF DIRECTORS  
OF  
LITHIUM ROYALTY CORP

(see attached)

**CHARTER OF THE BOARD OF DIRECTORS  
OF  
LITHIUM ROYALTY CORP.**

**1 PURPOSE AND RESPONSIBILITY OF THE BOARD**

The board of directors (the “**Board**”) of Lithium Royalty Corp. (the “**Corporation**”) acknowledges responsibility for the stewardship of the Corporation and its business. This stewardship function includes responsibility for the matters set out in this Charter, which form part of the Board’s statutory responsibility to manage, or supervise the management of, the business and affairs of the Corporation.

**2 REVIEW OF CHARTER**

The Board shall review and assess the adequacy of this Charter annually and at such other times as it considers appropriate, and shall make such changes to this Charter as it considers necessary or appropriate.

**3 DEFINITIONS AND INTERPRETATION**

**3.1 Definitions**

In this Charter:

“**Audit Committee**” means the audit committee of the Board;

“**Compensation, Nominating and Governance Committee**” means the compensation, nominating and governance committee of the Board;

“**CEO**” means the Chief Executive Officer of the Corporation;

“**CFO**” means the Chief Financial Officer of the Corporation;

“**Chair**” means the Chair of the Board;

“**Charter**” means this Charter, as amended from time to time;

“**Director**” means a member of the Board;

“**Lead Director**” means the independent lead Director of the Board, if any;

“**Shareholders**” means the shareholders of the Corporation; and

“**Stock Exchange**” means, at any time, the Toronto Stock Exchange, and any other stock exchange on which any securities of the Corporation are listed for trading at the applicable time.



### **3.2 Interpretation**

This Charter is subject to and shall be interpreted in a manner consistent with the articles and by-laws of the Corporation, the *Canada Business Corporations Act* (the “CBCA”), and any other applicable legislation.

## **4 CHAIR OF THE BOARD**

### **4.1 Chair to Be Appointed Annually**

The Board shall appoint the Chair and the Lead Director, if applicable, annually at the first meeting of the Board after a meeting of the Shareholders at which Directors are elected; provided, however, that if the appointment of the Chair or the Lead Director, as applicable, is not so made, the Director who is then serving as Chair and the Director who is then serving as Lead Director, if applicable, shall continue to hold such office until his or her successor is appointed.

### **4.2 Chair Not Independent**

In the event the Chair is not an independent Director, an independent Director shall be appointed to act as Lead Director with the mandate to ensure independent oversight of the business and affairs of the Corporation

### **4.3 Position Descriptions**

The Board shall review and, if determined appropriate, approve the recommendations of the Compensation, Nominating and Governance Committee concerning formal position descriptions for:

- (a) the Chair;
- (b) the Lead Director, if the Chair is not an independent Director;
- (c) the chair of each standing committee of the Board; and
- (d) the CEO.

## **5 REMUNERATION OF DIRECTORS AND RETAINING ADVISORS**

### **5.1 Remuneration**

Directors shall receive such remuneration for their service as the Board may determine from time to time, in consultation with the Compensation, Nominating and Governance Committee.

### **5.2 Retaining and Compensating Advisors**

Each Director shall have the authority to retain outside counsel and any other external advisors from time to time, as necessary to fulfill their duties as a Director of the Corporation and with the approval of the chair of the Compensation, Nominating and Governance Committee.

## **6 MEETINGS OF THE BOARD**

### **6.1 Conduct of Meetings**

Meetings of the Board shall be called and held in a manner consistent with and at any location contemplated in the Corporation's by-laws.

### **6.2 Frequency of Board Meetings**

Subject to the Corporation's by-laws, the Board shall meet at least quarterly.

### **6.3 Invitees**

The Board may invite any of the Corporation's officers, employees, advisors or any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board.

### **6.4 Confidentiality and Privilege**

The proceedings and deliberations of the Board and its committees are confidential and privileged, where applicable. Each Director shall maintain the confidentiality and privilege, where applicable, of all information received in his or her capacity as a Director of the Corporation.

## **7 IN CAMERA SESSIONS**

### **7.1 In Camera Sessions of Non-Management Directors**

In connection with each meeting of the Board, the non-management Directors shall have the opportunity to meet without any member of management being present (including any Director who is also a member of management).

### **7.2 In Camera Sessions of Independent Directors**

If there are any non-management Directors who are not independent Directors, the independent Directors shall have the opportunity to meet at the conclusion of each meeting of the Board with only independent Directors present.

## **8 DELEGATION AND RELIANCE**

### **8.1 Delegation to Committees**

The Board may establish and delegate to committees of the Board any duties and responsibilities of the Board which the Board is not prohibited by law from delegating. However, no committee of the Board shall have the authority to make decisions which bind the Corporation, except to the extent that such authority has been specifically delegated to such committee by the Board.

### **8.2 Requirement for Certain Committees**

The Board shall establish and maintain the following standing committees, each having mandates that incorporate all applicable laws and Stock Exchange requirements:

- (a) Audit Committee; and
- (b) Compensation, Nominating and Governance Committee.

### **8.3 Composition of Committees**

The Board shall appoint and maintain in office members of each of its committees such that the composition of each such committee is in compliance with all applicable laws and Stock Exchange requirements, having regard to the recommendations of the Compensation, Nominating and Governance Committee with respect to such matters.

### **8.4 Review of Charters**

On an annual basis, the Board will review the recommendations of the Compensation, Nominating and Governance Committee with respect to the charters of each committee of the Board. The Board will approve such changes to the charters as it determines appropriate.

### **8.5 Delegation to Management**

Subject to applicable laws and the Corporation's articles and by-laws, the Board may designate the offices of the Corporation, appoint officers thereto, specify their duties and delegate to them the powers to manage the business and affairs of the Corporation.

### **8.6 CEO Position Description.**

Having regard to recommendations of the Compensation, Nominating and Governance Committee, and in consultation with the CEO, the Board shall adopt a position description for the CEO which:

- (a) defines the responsibilities of the Corporation's management; and
- (b) sets out the overall corporate goals and objectives that the CEO is responsible for meeting, taking into consideration the goals and obligations relevant to the CEO's compensation approved by the Compensation, Nominating and Governance Committee.

### **8.7 Reliance on Management**

The Board is entitled to rely in good faith on the information and advice provided to it by the Corporation's management.

### **8.8 Reliance on Others**

The Board is entitled to rely in good faith on information and advice provided to it by advisors, consultants and such other persons as the Board considers appropriate.

### **8.9 Oversight**

The Board retains responsibility for oversight of any matters delegated to any committee of the Board or to management of the Corporation.

## **9 DUTIES OF DIRECTORS**

### **9.1 Fiduciary Duty and Duty of Care**

In exercising his or her powers and discharging his or her responsibilities, a Director shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **9.2 Compliance with CBCA and Constatng Documents**

A Director shall comply with the provisions of the CBCA and the Corporation's articles and by-laws.

### **9.3 Compliance with the Corporation's Policies**

A Director shall comply with all policies of the Corporation applicable to members of the Board, as approved by the Board from time to time.

## **10 RESPONSIBILITIES OF DIRECTORS**

### **10.1 Responsibilities Set out in Charter**

A Director shall review and participate in the proceedings of the Board necessary in order for the Board to discharge its duties and responsibilities as set out in this Charter.

### **10.2 Orientation and Education**

A Director shall participate in any orientation and continuing education programs developed for the Directors.

### **10.3 Meeting Preparation and Attendance**

In connection with each meeting of the Board and each meeting of a committee of the Board which the Director is a member, a Director shall:

- (a) review thoroughly the materials provided to the Director by management in connection with the meeting, provided that such review is practicable in view of the time at which such material was delivered to the Director; and
- (b) attend each meeting in person to the extent practicable (unless the meeting is scheduled to be held by teleconference or video-conference).

### **10.4 Assessment and Evaluation**

A Director shall participate in such processes as may be established by the Board for assessing and evaluating the Board, its committees and individual Directors.

## **10.5 Other Responsibilities**

A Director shall perform such other functions as may be delegated to that Director by the Board or any committee of the Board from time to time.

## **11 BOARD RESPONSIBILITY FOR SPECIFIC MATTERS**

### **11.1 Responsibility for Specific Matters**

The Board acknowledges responsibility for the matters set out in Sections 12 to 16, recognizing that these matters represent in part responsibilities reflected in requirements and recommendations adopted by applicable securities regulatory authorities and the Stock Exchanges and do not limit the Board's overall responsibility for the stewardship of the Corporation and its business or its responsibility to manage, or supervise the management of, the business and affairs of the Corporation.

### **11.2 Delegation to Committees**

Whether or not specific reference is made to committees of the Board in connection with any of the matters referred to in Sections 12 to 16, the Board may direct any committee of the Board to consider such matters and to report and make recommendations to the Board with respect to these matters.

## **12 CORPORATE GOVERNANCE**

### **12.1 Governance Practices and Principles**

The Board shall be responsible for developing the Corporation's approach to corporate governance.

### **12.2 Governance Principles**

(a) **Governance Principles.** The Board shall review and approve, if appropriate, a set of governance principles and guidelines appropriate for the Corporation (the "**Governance Principles**") having regard to the recommendations of the Compensation, Nominating and Governance Committee.

(b) **Amendments.** The Board shall review the Governance Principles at least annually and adopt such changes to the Governance Principles as it considers appropriate from time to time having regard to the recommendations of the Compensation, Nominating and Governance Committee.

### **12.3 Governance Disclosure**

(a) **Approval of Disclosure.** The Board shall approve disclosure about the Corporation's governance practices in any document before it is delivered to the Corporation's shareholders or filed with any securities regulatory authorities or the Stock Exchanges having regard to the recommendations of the Compensation, Nominating and Governance Committee.

(b) **Determination that Differences Are Appropriate.** If the Corporation's governance practices differ from those recommended by applicable securities regulatory

authorities or the Stock Exchanges, the Board shall consider these differences and why the Board considers them to be appropriate having regard to the recommendations of the Compensation, Nominating and Governance Committee.

#### **12.4 Certification**

The Board shall review and approve, before it is filed, each certification required to be delivered by the Corporation's CEO or CFO to any Stock Exchange with respect to the Corporation's compliance with the corporate governance provisions of its listing agreement.

#### **12.5 Delegation to Compensation, Nominating and Governance Committee**

The Board may direct the Compensation, Nominating and Governance Committee to consider the matters contemplated in this Section 12 and to report and make recommendations to the Board with respect to these matters.

### **13 RESPONSIBILITIES RELATING TO MANAGEMENT**

#### **13.1 Integrity of Management**

The Board shall, to the extent feasible, satisfy itself:

- (a) as to the integrity of the CEO and other executive officers of the Corporation; and
- (b) that the CEO and other executive officers of the Corporation create a culture of integrity throughout the organization.

#### **13.2 Succession Planning**

(a) **General.** The Board shall be responsible for succession planning, including appointing, training and monitoring the performance of the executive officers of the Corporation.

(b) **CEO Succession.** Having regard to the recommendations of the Compensation, Nominating and Governance Committee, the Board shall adopt:

- (i) policies and principles regarding identifying and evaluating candidates as potential successors to the CEO; and
- (ii) policies regarding succession in the event of an emergency or the retirement of the CEO.

#### **13.3 Goals and Objectives of CEO**

The Board shall receive recommendations of the Compensation, Nominating and Governance Committee with respect to the corporate goals and objectives that the CEO is responsible for meeting and shall approve those goals and objectives as appropriate.

#### **13.4 Executive Compensation Policy**

The Board shall receive recommendations of the Compensation, Nominating and Governance Committee and make such determinations as it considers appropriate with respect to:

- (a) the CEO's compensation;
- (b) the compensation of the other executive officers;
- (c) the compensation of the Directors;
- (d) incentive-compensation plans;
- (e) equity-based compensation plans; and
- (f) policies relating to the determination and payment of bonuses and benefits.

## **14 OVERSIGHT OF THE OPERATION OF THE BUSINESS**

### **14.1 Risk Management**

Taking into account the reports of management and such other persons as the Board may consider appropriate, the Board shall identify the principal risks of the Corporation's business and satisfy itself as to the implementation of appropriate systems to manage these risks.

### **14.2 Strategic Planning**

The Board shall adopt a strategic planning process and shall approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business.

### **14.3 Internal Control and Management Information Systems**

The Board shall review the reports of management and the Audit Committee concerning the integrity of the Corporation's internal control and management information systems and, where appropriate, require management (overseen by the Audit Committee, as appropriate) to implement changes to such systems to ensure the integrity of such systems.

### **14.4 Disclosure Policy and Feedback Process**

(a) The Board shall adopt a disclosure policy for the Corporation's communications with Shareholders, the investment community, the media, governments and their agencies, employees and the general public, having regard to the recommendations of management and the Compensation, Nominating and Governance Committee. Such policy shall be developed with reference to the requirements and recommendations of applicable securities laws and Stock Exchange requirements.

(b) The Board shall establish a process pursuant to which the Board can receive feedback from securityholders and other stakeholders.

### **14.5 Financial Statements**

(a) The Board shall receive regular reports from the Audit Committee with respect to the integrity of the Corporation's financial reporting system and its compliance with all regulatory requirements relating to financial reporting.

(b) The Board shall review the recommendation of the Audit Committee with respect to the annual financial statements of the Corporation to be delivered to Shareholders. If appropriate, the Board shall approve such financial statements.

#### **14.6 Capital Management**

The Board shall receive regular reports from management on the structure and management of the Corporation's capital.

#### **14.7 Code of Business Conduct and Ethics**

(a) **Adoption of Code of Business Conduct and Ethics.** The Board will adopt a code of business conduct and ethics for the Corporation (the "**Code**") having regard to the recommendations of the Compensation, Nominating and Governance Committee. In adopting the Code, the Board will consider the recommendations of the Compensation, Nominating and Governance Committee concerning its compliance with applicable laws and Stock Exchange requirements and other recommended best practices in governance.

(b) **Compliance and Disclosure.** The Board will direct the Compensation, Nominating and Governance Committee to monitor compliance with the Code and recommend disclosures with respect thereto. The Board will consider any report of the Compensation, Nominating and Governance Committee concerning these matters, and will approve, if determined appropriate, the disclosure in respect of the Code.

(c) **Waivers.** The Board shall consider any report of the Compensation, Nominating and Governance Committee with respect to any waiver granted to a Director or an executive officer of the Corporation from complying with the Code and shall approve or reject such request as it deems appropriate.

### **15 NOMINATION OF DIRECTORS**

#### **15.1 Nomination and Appointment of Directors**

(a) The Board shall nominate individuals for election as Directors by the Shareholders, having regard to the recommendations of the Compensation, Nominating and Governance Committee.

(b) The Board shall adopt a process (having regard to the recommendations of the Compensation, Nominating and Governance Committee) pursuant to which the Board shall consider:

- (i) what competencies and skills the Board, as a whole, should possess;
- (ii) what competencies and skills each existing Director possesses and which the Board, as a whole, possesses;
- (iii) diversity on the Board, including diversity based on gender, ethnicity, culture, heritage, education and any other relevant considerations;
- (iv) the mechanisms that should be adopted to ensure periodic Board renewal;



- (v) the personality and other qualities of each Director; and
- (vi) the appropriate size of the Board, with a view to facilitating effective decision-making.

## **16 BOARD EFFECTIVENESS**

### **16.1 Director Orientation and Continuing Education**

The Board shall review and, if determined appropriate, approve the recommendations of the Compensation, Nominating and Governance Committee concerning:

- (a) a comprehensive orientation program aimed at ensuring that all new Directors understand the nature and operations of the Corporation's business, the role of the Board and the committees of the Board and the contribution that individual Directors are expected to make to the Board; and
- (b) a continuing education program for all Directors that enables them to enhance their skills and abilities as Directors and ensure that their knowledge of the Corporation's business remains current.

### **16.2 Board, Committee and Director Assessments**

The Board shall adopt a process having regard to the recommendation of the Compensation, Nominating and Governance Committee for assessing the performance and effectiveness of the Board as a whole, the committees of the Board and the contributions of individual Directors on an annual basis.

### **16.3 Annual Assessment of the Board**

Each year, the Board shall assess its performance and effectiveness and review this Charter in accordance with the process established by the Compensation, Nominating and Governance Committee.

Approved by the Board of Directors of the Corporation on February 21, 2023, and effective as of March 8, 2023.