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**KESSELRUN RESOURCES LTD.  
NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON NOVEMBER 29, 2022**

**AND**

**INFORMATION CIRCULAR**

*October 31, 2022*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your professional advisor.*

**KESSELRUN RESOURCES LTD.**

278 Bay Street, Suite 102  
Thunder Bay, ON  
P7B 1R8

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Kesselrun Resources Ltd. (hereinafter called the "Company") will be held at 278 Bay Street, Suite 102, Thunder Bay, ON P7B 1R8, on Tuesday, November 29, 2022, at 2:00 p.m. (Eastern Standard Time) for the following purposes:

1. To receive the audited financial statements of the Company for the fiscal year ended July 31, 2022, together with the report of the auditors therein;
2. To fix the number of directors at four;
3. To elect directors;
4. To appoint the auditors and to authorize the directors to fix their remuneration;
5. To approve the Company's 10% rolling Stock Option Plan; and
6. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

Accompanying this Notice is the Company's Information Circular, a form of Proxy and the Financial Statement Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the meeting and is incorporated into this Notice.

Shareholders are entitled to vote at the Meeting either in person or by proxy. Those who are unable to attend the meeting are requested to read, complete, sign and mail the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Information Circular accompanying this Notice. Please advise the Company of any change in your mailing address.

DATED at Thunder Bay, Ontario, this 31st day of October, 2022.

BY ORDER OF THE BOARD  
(*signed*) "*Michael Thompson*"  
President, CEO and Director

**KESSELRUN RESOURCES LTD.**

278 Bay Street, Suite 102

Thunder Bay, ON

P7B 1R8

Telephone (807) 285-3323

Facsimile (807) 345-1875

**INFORMATION CIRCULAR**

**Solicitation of Proxies**

This information circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Kesselrun Resources Ltd. (the “**Company**”) for use at the annual general meeting of shareholders (the “**Shareholders**”) of the Company (the “**Meeting**”) to be held at 278 Bay Street, Suite 102, Thunder Bay, Ontario P7B 1R8, on November 29, 2022, at 2:00 p.m. (Eastern Standard Time) and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders.

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to the “**Company**”, “**we**” and “**our**” refer to Kesselrun Resources Ltd.; “**Common Shares**” means common shares in the authorized share structure of the Company; “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name and “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that hold securities on behalf of the Beneficial Shareholders.

**Date of Information Circular**

Information contained in this Information Circular is given as at October 31, 2022, unless otherwise indicated.

**GENERAL PROXY INFORMATION**

**Revocability of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) executing a proxy bearing a later date; or
- (b) executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the shareholder’s authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the Proxy bearing a later date with Computershare Investor Services Inc., at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the date that precedes any reconvening thereof, or to the

chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Appointment of Proxyholders**

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be Shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors and/or officers of the Company (the "**Management Designees**"). **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting other than either of the Management Designees. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy will not be valid unless the completed, signed and dated form of proxy is delivered to the office of **Computershare Investor Services Inc. at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524**, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

### **Exercise of Discretion**

The Management Designees named in the Proxy will vote or withhold from voting the shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. The Proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

### **Proxy Voting Options**

If you are a registered shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. at: 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775 and

outside North America to (416) 263-9524, at any time up to and including 2:00 p.m. (Easter Standard time) on November 25, 2022.

### **Advice to Beneficial Holders of Common Shares**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only Proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

If you are a Beneficial Shareholder, the form of proxy supplied to you by your broker (or its agent) is similar to the form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the Management Designees to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided on the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. It must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend at the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instrument form provided to you and return the same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend the Meeting and vote your Common Shares.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as disclosed herein.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the “**Board**”) of the Company has fixed October 25, 2022, as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of October 25, 2022, the Company had 93,671,837 fully paid and non-assessable Common Shares without par value issued and outstanding, each Common Share carrying the right to one vote. The Company has no other classes of voting securities.

To the knowledge of the directors and senior officers of the Company and from information obtained on the SEDI website at [www.sedi.ca](http://www.sedi.ca), there is no person or company who beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended July 31, 2022, together with the Auditors' Report thereon, will be presented to the Shareholders at the Meeting.

## **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast in person or by proxy at the Meeting is required to pass the ordinary resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

### **Recommendation of the Board**

The Board unanimously recommends that Shareholders vote in favour of all resolutions.

## **ELECTION OF DIRECTORS**

The Board currently consists of four (4) directors. Management proposes to fix the number of directors of the Company at four (4) and to nominate the persons listed below for election as directors.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless a director's seat is earlier vacated in accordance with the provisions of the British Columbia *Business Corporations Act* or the Articles of the Company, each director elected will hold office until the conclusion

of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each beneficially owns or over which control or direction is exercised:

<b>Nominee Position with the Company and Jurisdiction of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Director of the Company Since</b>	<b>Committee Membership</b>	<b>Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control of Direction is Exercised<sup>(2)</sup></b>
Michael Thompson <i>Director, President, and Chief Executive Officer</i> Thunder Bay, Ontario	CEO and President of the Company since July 18, 2012. Professional Geologist with Fladgate Exploration Consulting Corporation since April 2007. Member of Association of Professional Geoscientists of Ontario.	July 18, 2012	Audit Committee	7,461,773
Joao (John) da Costa <i>Director, Chief Financial Officer and Secretary</i> Vancouver, British Columbia	CFO and Secretary of the Company since July 18, 2012. President of Da Costa Management Corp., a BC company that provides management services to public and private companies.	July 18, 2012	N/A	1,580,000

Nominee Position with the Company and Jurisdiction of Residence	Occupation, Business or Employment <sup>(1)</sup>	Director of the Company Since	Committee Membership	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control of Direction is Exercised <sup>(2)</sup>
Caitlin Jeffs <i>Director</i> Thunder Bay, Ontario	Vice-President, professional Geologist with Fladgate Exploration Consulting Corporation since April 2007. Member of Association of Professional Geoscientists of Ontario.	July 18, 2012	Audit Committee	3,401,167
Yanika Silina, CPA, CMA <i>Director</i> Vancouver, British Columbia	Senior accountant at Da Costa Management Corp. a BC company that provides management services to public and private companies.	December 23, 2014	Audit Committee	475,000

**Notes:**

- (1) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned by the nominees for directors, directly or indirectly, is based on information provided by the nominees and includes Common Shares beneficially owned, warrants and options to acquire shares of the Common Stock of the Company.

Other than as set out below, to the knowledge of the Company, no proposed director is, or has, within the 10 years before the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that,

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

Ms. Silina and Mr. da Costa are officers and directors of Cell MedX Corp. (“**Cell MedX**”), a company quoted on the OTCPink. On October 11, 2022, the British Columbia Securities Commission issued a cease trade order against Cell MedX for failure to file its Annual Information Form, Annual Financial Statements, and Management Discussion and Analysis (“**MD&A**”) for the fiscal year ended May 31, 2022.

Mr. da Costa was a director of Live Current Media Inc. (“**Live Current**”), a company quoted on the OTCQB, from October 10, 2010 to May 19, 2011. On May 10, 2011, the British Columbia Securities Commission issued a cease trade order against Live Current for failure to file its annual financial statements and MD&A and annual information form for the fiscal year ended December 31, 2010. Mr. da Costa resigned as a director on May 19, 2011. Subsequently thereto in November 2013, Live Current ceased being an OTC reporting issuer. In June 2014, a receiver was placed in charge of Live Current. Mr. da Costa joined the board of directors of Live Current in December 2016 as part of a process intended to bring Live Current out of receivership. In May 2017, the Company was discharged from receivership. The British Columbia Securities Commission revoked the cease trade order regarding Live Current on August 3, 2018, and Live Current has since resumed its status as an OTC reporting issuer. Mr. da Costa resigned as a director on April 22, 2022.

Mr. da Costa is the CFO and a director of Triton Emission Solutions Inc., (“**Triton**”), a company quoted for trading on the OTC Pink. Pursuant to Multilateral Instrument 51-105, Triton was required to file its audited annual financial statements for the year ended December 31, 2017. Triton chose to file its annual financial statements without auditor’s report required under National Instrument 52-107. On April 19, 2018, the British Columbia Securities Commission issued a cease trade order concerning Triton and trading in its common shares. On August 25, 2021, the US Securities and Exchange Commission (the “**SEC**”) issued an order of suspension of trading concerning Triton for failure to file period reports since filing its Form 10-Q for the period ended March 31, 2020. On February 15, 2022, the SEC revoked the registration of the Triton’s securities, for failure to file periodic reports in violation of Section 13(a) of the Securities Exchange Act of 1934 and Exchange Act Rules 13a-1 and 13a-13.

No proposed director of the Company was, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Kesselrun Resources Ltd.) 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.

No proposed director of the Company has, within 10 years before the date of the information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for that proposed director.

## **MANAGEMENT CONTRACTS**

The management functions of the Company are primarily performed by the directors and executive officers of the Company, and not to any substantial degree by any other person with whom the Company has contracted.

## **STATEMENT OF EXECUTIVE COMPENSATION**

For the purpose of this information circular:

“CEO” of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” of the Company means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“Executive Officer” of an entity means an individual who is:

- (a) the chair of the Company, if any;
- (b) the vice-chair of the Company, if any;
- (c) the president of the Company;
- (d) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production;
- (e) an officer of the Company (or subsidiary, if any) who performs a policy-making function in respect of the Company; or
- (f) any other individual who performs a policy-making function in respect of the Company;

“Named Executive Officers or NEOs” means:

- (a) the CEO of the Company;
- (b) the CFO of the Company;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;
- (d) any additional individuals for whom disclosure would have been provided under paragraph (c) above except that the individual was not serving as an executive officer of the Company, nor in a similar capacity, as at the end of the most recently completed financial year end.

As of July 31, 2022, the Company had two “Named Executive Officers”, namely Michael Thompson, CEO and John da Costa, CFO.

### Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V) is a summary compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years ended July 31, 2022 and 2021.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Thompson <sup>(1,2,4)</sup> President, CEO and Director	2022	Nil	Nil	Nil	Nil	3,887,671 <sup>(5)</sup>	3,887,671
	2021	Nil	Nil	Nil	Nil	2,990,309 <sup>(5)</sup>	2,990,309
Joao da Costa <sup>(1,3)</sup> CFO and Director	2022	Nil	Nil	Nil	Nil	150,000 <sup>(6)</sup>	150,000
	2021	Nil	Nil	Nil	Nil	130,500 <sup>(6)</sup>	130,500
Caitlin Jeffs <sup>(4)</sup> Director	2022	Nil	Nil	Nil	Nil	3,887,671 <sup>(5)</sup>	3,887,671
	2021	Nil	Nil	Nil	Nil	2,990,309 <sup>(5)</sup>	2,990,309
Yanika Silina <sup>(7)</sup> Director	2022	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil

- (1) None of Michael Thompson or Joao da Costa has received any monetary compensation for acting as Executive Officer or as Director of the Company.
- (2) Michael Thompson was appointed President and CEO of the Company on July 18, 2012.
- (3) Joao da Costa was appointed CFO and Corporate Secretary of the Company on July 18, 2012.

- (4) Mr. Thompson and Ms. Jeffs each control 33% of Fladgate Exploration Consulting Corporation (“Fladgate”), a full-service geological consulting firm, which conducts all mineral exploration activities on behalf of the Company. Fladgate invoices the Company periodically when exploration is active at competitive industry standard rates.
- (5) Other compensation includes \$3,737,671 (2021 - \$2,862,809) paid or accrued to Fladgate for exploration work done on the Company’s Huronian property. Additional \$150,000 (2021 - \$127,500) were paid to Fairtide Ventures (“Fairtide”) for management fees. Fairtide is jointly controlled by Mr. Thompson and Ms. Jeffs.
- (6) Other compensation includes \$150,000 (2021 - \$130,500) in consulting, administrative, and accounting fees paid to Da Costa Management Corp. of which Mr. da Costa is sole owner.
- (7) Ms. Silina is an employee of Da Costa Management Corp.

### **External Management Companies**

Mr. da Costa and Ms. Silina provide their services through Da Costa Management Corp. (a company owned and controlled by Mr. da Costa). Da Costa Management Corp. provides consulting, administrative, and accounting services to the Company at a rate of \$12,500 per month.

Mr. Thompson provides his management services through Fairtide Ventures, a private company jointly controlled by Mr. Thompson and Ms. Jeffs. Fairtide Ventures provides management services at a rate of \$12,500 per month.

Mr. Thompson and Ms. Jeffs each control 33% of Fladgate Exploration Consulting Corporation, a full-service geological consulting firm with over 30 employees/contractors, which conducts all mineral exploration activities on behalf of the Company. Fladgate invoices the Company periodically when exploration is active at competitive industry standard rates.

### **Stock Options and Other Compensation Securities**

On November 24, 2021, the TSX Venture Exchange (the “TSX-V”) updated Policy 4.4 – Security Based Compensation (“Policy 4.4”). As a result, on October 26, 2022, the Board adopted a new stock option plan (the “Plan”) to replace the Company’s current “rolling 10%” stock option plan (the “Prior Plan”) which was approved by the shareholders of the Company on December 7, 2021.

The Plan is a “rolling up to 10%” Security Based Compensation Plan, as defined in Policy 4.4 of the TSX-V pursuant to which the number of Common Shares that are issuable pursuant to the exercise of Options granted under the Plan (and the Prior Plan), and under any other security based compensation plan of the Company, shall not exceed ten percent (10%) of the issued and outstanding Common Shares as at the date of any Option grant. The Plan is subject to the approval of the Company’s shareholders at the Meeting.

The following table discloses all compensation securities granted or issued to each NEO and director by the Company in the financial year ended July 31, 2022, for services provided or to be provided, directly or indirectly, to the Company and the total amount of compensation securities held as at the Company’s financial year ended July 31, 2022.

Compensation Securities								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date	Total amount of compensation securities held as at July 31, 2022
Michael Thompson President, CEO and Director	Option	100,000	Dec 21, 2021	0.25	0.11	0.04	Dec 21, 2026	1,575,000 options
Joao da Costa CFO and Director	Option	100,000	Dec 21, 2021	0.25	0.11	0.04	Dec 21, 2026	1,050,000 options
Caitlin Jeffs Director	Option	75,000	Dec 21, 2021	0.25	0.11	0.04	Dec 21, 2026	750,000 options
Yanika Silina Director	Option	75,000	Dec 21, 2021	0.25	0.11	0.04	Dec 21, 2026	475,000 options

(1) The numbers indicated represent the number of options and the same number of Common Shares underlying the related options.

Aside from adoption of the Plan, to comply with the TSX-V updated Policy 4.4, which, from the date of the adoption, being October 26, 2022, governs all outstanding options granted, no compensation security has been repriced, cancelled and replaced, had its term extended, or otherwise been materially modified during the year ended July 31, 2022, including the original and modified terms.

The compensation securities listed above have no restrictions or conditions for converting, exercising or exchanging.

No NEO or director of the Company exercised any compensation security during the financial year ended July 31, 2022.

### Employment, Consulting and Management Agreements

The Company does not have any contracts, agreements, plans or arrangements that provide for payments to a director or NEO at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

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

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

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in shareholder value. The Company does not provide pension or other benefits to the executive officers. The Company does not have pre-existing performance criteria or objectives. All significant elements of compensation awarded to, earned by, paid or payable to NEOs are determined by the Company on a

subjective basis. The Company has not used any peer group to determine compensation for its directors and NEO.

The Board has the responsibility to administer compensation policies related to executive management of the Company, including option-based awards. The Board has approved the Stock Option Plan pursuant to which the Board has granted stock options to executive officers. The Stock Option Plan provides compensation to participants and an additional incentive to work toward long-term company performance. The Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange, and closely align the interests of the executive officers with the interests of shareholders.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

### **Pension Arrangements**

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors. The Company has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company.

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

The only equity compensation plan that the Company has in place is a stock option plan (the “**Plan**”). On November 24, 2021, the TSX-V updated Policy 4.4, and as a result, on October 26, 2022, the Board adopted a new stock option plan (the “**Plan**”) to replace the Company's current “rolling 10%” stock option plan (the “**Prior Plan**”) which was approved by the shareholders of the Company on December 7, 2021.

The Plan is a “rolling up to 10%” Security Based Compensation Plan, as defined in Policy 4.4 of the TSX-V pursuant to which the number of Common Shares that are issuable pursuant to the exercise of Options granted under the Plan (and the Prior Plan) shall not exceed ten percent (10%) of the issued and outstanding Common Shares as at the date of any Option grant. The Plan is subject to the approval of the Company's shareholders at the Meeting.

The Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company and it provides that options will be issued pursuant to option agreements with directors, officers, employees or consultants of the Company. Under the Plan, options may expire on a date which is no more than ten years after the issuance of such option.

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company's most recently completed fiscal year:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
<b>Equity compensation plans approved by securityholders</b>	4,550,000	\$0.25	4,817,184
<b>Equity compensation plans not approved by securityholders</b>	Nil	n/a	Nil
<b>Total</b>	4,550,000	\$0.25	4,817,184

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

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

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

An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or a company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company.

### **APPOINTMENT OF AUDITOR**

Management recommends that Shareholders vote to appoint Dale Matheson Carr-Hilton Labonte LLP, ("DMCL") with its office at Suite 1500, 1140 West Pender Street, Vancouver, BC V6E 4G1, as auditors for the Company for the ensuing year and to authorize the directors to fix their remuneration. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of DMCL as the auditors of the Company to hold office for the ensuing year and to authorize the directors to fix their remuneration. See "External Auditor Service Fees" under "Audit Committee and Relationship with Auditor".

## CORPORATE GOVERNANCE

### General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”).

The Board believes that sound corporate governance practices are essential to the effective, efficient and prudent operation of the Company and for the enhancement of shareholder value. The Canadian Securities Administrators (the “**CSA**”) have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of its corporate governance practices.

Pursuant to the requirements of NI 58-101, the Company is required to provide disclosure in this Information Circular of its corporate governance practices in accordance with Form 58-101F1, which are as follows.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

During the fiscal year ended July 31, 2022, Caitlin Jeffs and Yanika Silina were independent members of the Board of Directors of the Company.

During the most recently completed financial year ended July 31, 2022, there were a minimum of two Board meetings and if a meeting could not be convened, business was conducted by resolution and the unanimous consent of the directors of the Company.

### Directorships

The participation of the directors in other reporting issuers is described in the following table:

Name of Director	Names of Other Reporting Issuers of which the Director is a Director
Michael Thompson	Red Metal Resources Ltd.
Caitlin Jeffs	Red Metal Resources Ltd., TomaGold Corp.
Joao da Costa	Red Metal Resources Ltd., Triton Emission Solutions Inc., Cell MedX Corp.
Yanika Silina	Cell MedX Corp.

### Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company’s properties and on director responsibilities.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business. In addition, management of the Company makes itself available for discussions with all Board members.

## **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## **Nomination of Directors**

The Board does not have a nominating committee. Functions that would be carried out by a nominating committee are currently performed by the Board as a whole with input from management.

Upon nomination of a director, the Board and management of the Company consider the size of the Company, its history and its future goals and objectives when deciding the number of directors to recommend for election at the annual general meeting of shareholders. Further, also considered is the number of Board members that would be required to effectively carry out the duties and responsibilities of the Board while maintaining a diversity of views and experience. However, if there is a change in the number of directors required to effect the smooth operations of the Company, this policy will be reviewed.

## **Other Board Committees**

During its fiscal year ended July 31, 2022, and subsequent to the year ended July 31, 2022, the Board had no Committees other than the Audit Committee.

## **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and committees.

## **Nomination and Assessment**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and Chief Executive Officer. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

## **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "**Audit Committee**") and its relationship with its independent auditors, as set forth in the following.

### **Charter**

The Company has adopted a charter (the "**Charter**") of the Audit Committee of the Board, which is attached as Schedule A to this Information Circular.

## Composition

During the fiscal year ended July 31, 2022, the following directors were the members of the Audit Committee:

Members	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Caitlin Jeffs	Yes	Yes
Yanika Silina	Yes	Yes
Michael Thompson	No	Yes

(1) As defined by NI 52-110.

## Relevant Education and Experience

### *Ms. Jeffs*

Ms. Jeffs obtained a BSc (Honours) – Geology from the University of British Columbia, BC in 2002.

### *Mr. Thompson*

Mr. Thompson obtained a BSc (Honours) – Geology from the University of Toronto, Ontario in 1997.

### *Ms. Silina*

Ms. Silina received her Diploma in Management Studies in 2011 and her CPA, CMA designation in 2015.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Company's Audit Committee Charter.

## Reliance on Certain Exemptions

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

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by the Company's auditors to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years are outlined in the following table:

Nature of Services	Fees Paid to Auditor During the Year Ended July 31, 2022	Fees Paid to Auditor During the Year Ended July 31, 2021
Audit Fees <sup>(1)</sup>	\$20,244	\$18,665
Audit-Related Fees <sup>(2)</sup>	-	-
Tax Fees <sup>(3)</sup>	\$1,800	\$1,400
All Other Fees <sup>(4)</sup>	-	-
Total	\$22,044	\$20,065

- (1) “Audit Fees” include fees necessary to perform the annual audit of the Company’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

### **Exemption in Section 6.1 of NI 52-110**

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

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

### **APPROVAL OF STOCK OPTION PLAN**

#### **Confirmation of Stock Option Plan**

On November 24, 2021, the TSX-V updated its Policy 4.4 – Security Based Compensation (“Policy 4.4”). As a result, on October 26, 2022, the Board adopted a new stock option plan (the “Plan”) to replace the Company’s current “rolling 10%” stock option plan (the “Prior Plan”) which was approved by the shareholders of the Company on December 7, 2021.

The Plan is a “rolling up to 10%” Security Based Compensation Plan, as defined in Policy 4.4 of the TSX-V pursuant to which the number of Common Shares that are issuable pursuant to the exercise of Options granted under the Plan (and the Prior Plan), and under any other security based compensation plan of the Company, shall not exceed ten percent (10%) of the issued and outstanding Common Shares as at the date of any Option grant. The Plan is subject to the approval of the Company’s shareholders at the Meeting.

If the Plan is approved by shareholders at the Meeting, all future grants of Option awards will be made pursuant to, or as otherwise permitted by, the Plan, and no further Option awards will be made pursuant to the Prior Plan.

The Plan is intended as an incentive to attract and retain qualified employees, directors, officers and consultants of the Company, to promote a proprietary interest in the Company among such persons, and to stimulate the active interest of such persons in the development and financial success of the Company. This incentive will provide a golden opportunity for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Common Shares for the benefit of all the Shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

As permitted by the Policy 4.4, the Plan provides for a floating maximum limit of 10% of the outstanding Common Shares. As at October 31, 2022, the floating maximum available under the Plan represents

9,367,184 Common Shares, of which 4,525,000 are issued and 4,842,184 are reserved and available for issuance under the Plan.

Under the Plan, the option price must not be less than the exercise price permitted by the TSX-V. The current policies of the TSX-V state that the option price must not be less than the closing prices of the Common Shares listed on the TSX-V on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of the TSX-V. An option must be exercised within a period of five years from the date of grant. Within this five-year period, the Board may determine the limitation period during which an option may be exercised. Any amendment to the Plan requires the approval of the TSX-V and may require disinterested shareholder approval.

The following is a summary of the principal terms of the Plan, which is qualified in its entirety by reference to the text of the Plan. A copy of the Plan has been included as Schedule “B” to this information circular. For the purposes of the description of the Plan below, unless otherwise defined herein, capitalized terms shall have the meanings ascribed thereto in the Plan.

- The Plan is administered by a “Committee” which means the Board of Directors or such committee of the Board of Directors that the Board of Directors has designated to administer the Plan.
- Options may be granted to Employees, Directors, Officers, Consultants of the Company, or Management Company Employees (and such other persons permitted by the Exchange to be granted Options)(collectively, “Eligible Persons”) who are in the opinion of the Committee in a position to contribute to the success of the Company or who, by virtue of their service to the Company (or to any predecessors of the Company) are, in the opinion of the Committee, worthy of an Option grant.
- Any Options previously granted by the Company (the “Outstanding Options”) which were outstanding as at October 26, 2022, are deemed to have been issued under and will be governed by the Plan, and in the event of any inconsistency between the terms of the agreements governing the Outstanding Options and the terms of the Plan, the terms of such agreements shall govern.
- The maximum aggregate number of Common Shares to be reserved and authorized for issuance pursuant to Options granted to Eligible Persons under the Plan is 10% of the issued and outstanding Common Shares from time to time.
- The aggregate number of optioned Common Shares granted within a 12-month period to any one Optionee must not exceed 5% of the issued and outstanding Common Shares.
- The aggregate number of optioned Common Shares granted within a 12-month period to any one Consultant must not exceed 2% of the issued and outstanding Common Shares.
- The aggregate number of optioned Common Shares granted within a 12-month period to Optionees who are employed to provide investor relations activities must not exceed 2% of the issued and outstanding Common Shares of the Company.
- The aggregate number of optioned Common Shares granted within a 12-month period to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares.
- The aggregate number of optioned Common Shares granted to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time.
- The exercise price for Options granted under the Plan will not be less than the Discounted Market Price.
- Options may be exercisable for a term of up to five years, subject to earlier termination in the event of death or the Optionee’s cessation of services to the Company or to extension if the expiry date is within

a trading blackout period imposed by the Company to that date which is 10 business days after the trading blackout.

- The Plan also allows for Optionees to exercise Options on a “Cashless Exercise” or “Net Exercise” basis, as permitted by Policy 4.4. “Cashless Exercise” is a method of exercising Options in which a securities dealer loans funds to the Optionee or sells the same Common Shares as those underlying the Option, prior to or in conjunction with the exercise of Options, to allow the Optionee to fund the exercise of some or all of their Options. “Net Exercise” is a method of Option exercise under which the Optionee does not make any payment to the Company for the exercise of their Options and receives on exercise a number of Common Shares equal to the intrinsic value (current market price less the exercise price) of the Option valued at the current market price. Under Policy 4.4, the current market price must be the five-day volume weighted average trading price prior to Option exercise. The “Net Exercise” provision may not be utilized by Investor Relations Service Provider.
- Options granted under the Plan are non-assignable and non-transferable, except by will or the laws of descent and distribution.
- Options granted to any Optionee who is a Director, Officer, Employee, Consultant, or Management Company employee, shall expire the earlier of: (a) that date which is 90 days after the Optionee ceases to be in at least one of such categories unless an earlier date is provided for in the Optionee’s option agreement; and (b) the expiry of the Option Period. The Committee may, in its sole discretion, extend the mentioned 90-day period in respect of any Option for a specified period up to one year.
- For so long as the Common Shares are listed on the TSX-V, any Common Shares issued pursuant to the exercise of Options that (a) were granted to an Optionee who was a Director, Officer or Significant Shareholder of the Company; or (b) had an exercise price per Common Share that was less than the market price, would be subject to a four-month hold period commencing on the date of grant of the Option.
- The Committee may, subject to any necessary stock exchange or regulatory approvals, from time to time, without notice or approval of the Optionees or of the shareholders of the Company, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however that no such amendment, modification, change suspension or termination may adversely affect any outstanding Options granted under the Plan without the consent of the Optionee.
- The vesting schedule for each Option shall be determined by the Committee at the time the option is granted and shall be specified in the option agreement in respect of the Option, with the exception that Options granted to Investor Relations Service Providers must vest in stages over at least 12 months with no more than 25% of the Options vesting in any three-month period. There can be no acceleration of the vesting requirement applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.
- If there is a takeover bid or tender offer made for all or any of the issued and outstanding Common Shares, then the Committee may, by resolution, permit all outstanding Options to become immediately exercisable in order to permit the Common Shares issuable under such Options to be tendered to such bid or offer.
- Where a Change of Control (as defined in the Plan) occurs, the Committee may, at its discretion, cause any and all outstanding Options issued to Optionees to automatically vest, whereupon such Options may be exercised in whole or in part by any such Optionee. There can be no acceleration of the vesting requirement applicable to Options granted to an Investor Relations Service Provider without the prior written approval of the Exchange.
- The Plan is considered a “rolling up to 10%” Security Based Compensation Plan as defined in Policy 4.4. In accordance with TSX-V policies, the implementation of the Plan will require shareholder

approval. In addition, the TSX-V requires the Company to obtain the approval of its shareholders of the Plan on an annual basis.

### **Shareholder Approval**

Shareholders will be asked at the Meeting to approve with or without variation the following resolution:

*“BE IT RESOLVED THAT the Company’s Stock Option Plan be and is hereby ratified and approved, and that in connection therewith a maximum of 10% of the issued and outstanding common shares at the time of each grant be approved for granting as options and that the board of directors be and are hereby authorized, without further shareholder approval, to make such changes to the Stock Option Plan as may be required or approved by regulatory authorities.”*

### **Other Matters**

As of the date of this Information Circular, management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

### **Additional Information**

Additional information relating to the Company is available through the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Financial information on the Company is provided in the Company’s audited financial statements and management's discussion and analysis of the most recently completed financial year ended July 31, 2022. Copies of the Company’s financial statements and management's discussion and analysis may be obtained upon request from the Company to the attention of: John da Costa at Suite 820 – 1130 West Pender Street, Vancouver, British Columbia V6E 4A4, telephone: (604) 648-0528.

### **Directors’ Approval**

The Board of Directors of the Company has approved the contents of this Information Circular and its distribution to each shareholder who is entitled to receive notice of the Meeting.

## **CERTIFICATION**

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

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

Dated at Thunder Bay, Ontario, this 31st day of October, 2022.

/s/“Michael Thompson”

Michael Thompson  
President, CEO and Director

## **SCHEDULE "A"**

### **KESSELRUN RESOURCES LTD. (the "Company")**

#### **AUDIT COMMITTEE CHARTER**

The audit committee's mandate and charter can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board of Directors, in good standing, and the majority of the members of the audit committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.
3. Review the Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board of Directors. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of the Management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review and evaluate the performance of the independent auditors and review with the full Board of Directors any proposed discharge of the independent auditors.
8. Review with the Management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the Management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the Management and the independent auditors about significant risks or exposures facing the Company; assess the steps the Management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.
11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant

findings and recommendations of the independent auditors together with the Management's responses thereto.

14. Review with the Management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with the Management, the independent auditors, the interim annual financial report before it is filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Management of the Company, the ramifications of each alternative and the treatment preferred by the Company.
17. Review all material written communications between the independent auditors and the Management.
18. Review with the Management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the Management encountered during the audit.
19. Periodically review the Company's code of conduct to ensure that it is adequate and up-to-date.
20. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
21. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
22. The Audit Committee will perform such other functions as assigned by law, the Company's articles, or the Board of Directors.

## SCHEDULE "B"

### KESSELRUN RESOURCES LTD.

#### STOCK OPTION PLAN

(as adopted by the Board of Directors on October 26, 2022)

#### 1. Objectives

The Plan is intended as an incentive to attract and retain qualified Employees, Directors, Officers and Consultants of the Company, to promote a proprietary interest in the Company among such persons, and to stimulate the active interest of such persons in the development and financial success of the Company.

#### 2. Definitions

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

- (a) **"Blackout Period"** has the meaning set out in section 8.9;
- (b) **"Board"** means the board of directors of the Company;
- (c) **"Business Day"** means a day on which banks are open for business in Vancouver, British Columbia, but does not include a Saturday, Sunday or statutory holiday in the Province of British Columbia;
- (d) **"Change of Control"** means the occurrence of any one or more of the following events:
  - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company or any of its affiliates and another corporation or other entity, as a result of which the holders of Shares of the Company immediately prior to the completion of the transaction hold less than 50% of the outstanding shares of the Company or successor corporation immediately after completion of the transaction;
  - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of all or substantially all of the assets, rights or properties of the Company to any other person or entity;
  - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Company;
  - (iv) any person, entity or group of persons or entities acting jointly or in concert (the **"Acquiror"**) acquires, or acquires control (including, without limitation, the power to vote or direct the voting) of, voting securities of the Company which, when added to the voting securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or direct the casting of 50% or more of the votes attached to all of the Company's outstanding voting securities which may be cast to elect directors of the Company or the successor corporation (regardless of whether a meeting has been called to elect directors);
  - (v) as a result of or in connection with: (A) a contested election of directors of the Company; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Company or any of its affiliates and another corporation or other

entity (a “**Transaction**”), fewer than 50% of the Directors are persons who were directors of the Company immediately prior to such Transaction; or

- (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

For the purposes of the foregoing definition of Change of Control, “**voting securities**” means Shares and any other shares entitled to vote for the election of directors of the Company and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities.

- (e) “**Committee**” means the Board or such committee of the Board that the Board may, in accordance with section 3.1 hereof, designate to administer the Plan;
- (f) “**Company**” means KESSELRUN RESOURCES LTD., a company existing under the laws of the Province of British Columbia;
- (g) “**Consultant**” means a person, other than an Employee, Officer or Director of the Company or of a subsidiary of the Company, that:
  - (i) is engaged to provide services to the Company or a subsidiary of the Company, other than services provided in relation to a distribution of securities,
  - (ii) provides the services under a written contract with the Company or a subsidiary of the Company, and
  - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or a subsidiary of the Company,

and includes

- (iv) for an individual Consultant, a corporation of which the individual Consultant is an employee or shareholder, and a partnership of which the individual Consultant is an employee or partner, and
  - (v) for a consultant that is not an individual, an employee, executive officer or director of the Consultant, provided that the individual employee, executive officer or director spends or will spend a significant amount of time and attention on the affairs and business of the Company or a subsidiary of the Company.
- (h) “**Date of Grant**” means the date an Option is granted by the Committee to the Optionee, subject to any regulatory or other approvals or conditions;
  - (i) “**Director**” means a member of the Board of the Company or of a subsidiary of the Company or an individual who performs similar functions for the Company or a subsidiary of the Company;
  - (j) “**Disinterested Shareholder Approval**” means the approval by a majority of the votes cast by all shareholders of the Company at a shareholders’ meeting, excluding votes attaching to Shares beneficially owned by Insiders to whom Options may be granted under the Plan and their associates;
  - (k) “**Employee**” means:

- (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source);
  - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
  - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (l) “**Exchange**” means the TSX-V or any other principal stock exchange on which the Shares may be listed from time to time;
- (m) “**Exercise Notice**” means the notice in writing signed by the Optionee or the Optionee’s legal personal representative addressed to the Company exercising all or a portion of the Optionee’s Options;
- (n) “**Insider**” in relation to the Company means:
- (i) a director or officer of the Company;
  - (ii) a director or officer of a company that is an Insider or subsidiary of the Company; or
  - (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares;
- (o) “**Investor Relations Activities**” means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, except for such activities that the TSX-V specifically states to not be Investor Relations Activities;
- (p) “**Investor Relations Service Provider**” means any Consultant that performs Investor Relations Activities and any director, officer, employee or management company employee whose role and duties primarily consist of Investor Relations Activities;
- (q) “**Market Price**” in relation to a Share subject to an Option on the Date of Grant of the Option means the last closing price of the Shares on the Exchange before such Date of Grant;
- (r) “**Offer**” has the meaning set forth in section 8.3;
- (s) “**Officer**” means an officer (as defined under the *Securities Act* (British Columbia)) of the Company or any of its subsidiaries;
- (t) “**Option**” means an option to purchase Shares granted under or subject to the terms of the Plan, including the Pre-Plan Options;
- (u) “**Option Agreement**” means a written agreement between, and executed by, the Company and an Optionee that sets out the terms of an Option held by the Optionee as described in section 9;

- (v) **“Option Certificate”** means a certificate executed by the Company and delivered to an Optionee that sets out the terms of an Option held by the Optionee as described in section 9;
- (w) **“Option Period”** means the period during which an Option may be exercised;
- (x) **“Optionee”** means a person to whom an Option has been granted under the terms of the Plan or who holds an Option that is otherwise subject to the terms of the Plan;
- (y) **“Plan”** means this Stock Option Plan of the Company, as may be amended from time to time;
- (z) **“Pre-Plan Options”** has the meaning set forth in section 4.3;
- (aa) **“Shares”** means common shares in the capital of the Company;
- (bb) **“Significant Shareholder”** means a person holding securities of a company that carry more than 10% of the voting rights attached to that company’s securities both immediately before and after the transaction in which securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or officers of that company;
- (cc) **“TSX-V”** means the TSX Venture Exchange or any successor stock exchange thereof; and
- (dd) **“VWAP”** means the volume weighted average trading price of the Shares listed on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five (5) trading days immediately preceding the exercise of the subject Option, provided that where appropriate, the Exchange may exclude internal crosses and certain other special trade terms from the calculation.

### 3. **Administration of the Plan**

- 3.1 The Plan shall be administered by the Committee. With respect to Option grants to Directors of the Company, the Board shall serve as the Committee. With respect to any other Options, the Board may specifically constitute a committee of two or more directors of the Company as the Board may designate from time to time to serve as the Committee for the Plan, all of the members of which shall be and remain directors of the Company. Notwithstanding the foregoing, the Board may resolve to be the Committee to administer the Plan with respect to all of the Plan or certain participants and/or awards made or to be made under the Plan.
- 3.2 The Committee shall have full and exclusive power to interpret the Plan, to adopt such rules, regulations and guidelines for carrying out the Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of the Plan, and to reserve and issue Shares issuable pursuant to the exercise of Options. The Committee may, in its discretion but subject to any necessary approvals of any stock exchange or regulatory body having jurisdiction over the securities of the Company, provide for the extension of the exercisability of an Option, accelerate the vesting or exercisability of any Option (subject to section 6(d) of the Plan and the applicable policies of the Exchange), eliminate or make less restrictive any restrictions contained in an Option, waive any restriction or other provision of the Plan or an Option or otherwise amend or modify an Option in any manner that is either: (a) not adverse to the Optionee holding such Option; or (b) consented to by such Optionee. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Option in the manner and to the extent the Committee deems necessary or desirable to carry it into effect. Any decision of the Committee in the interpretation and administration of the Plan shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Committee shall be liable for anything done or omitted to be done by such member, by any member of the Committee or by any director or officer of the Company in connection with the performance of any duties under the Plan, except for such member’s own willful misconduct or as expressly provided by statute.

3.3 All administrative costs of the Plan shall be paid by the Company.

#### 4. **Eligibility**

4.1 Options may be granted to Employees, Directors, Officers, Consultants of the Company, and Management Company Employees (and such other persons permitted by the Exchange to be granted Options) who are, in the opinion of the Committee, in a position to contribute to the success of the Company or who, by virtue of their service to the Company (or to any predecessors of the Company) are, in the opinion of the Committee, worthy of an option grant. The granting of Options is entirely discretionary and nothing in this Plan shall be deemed to give any person any right to participate in this Plan or to be granted an Option and designation of an Optionee in any year shall not require the designation of such person to receive an Option in any other year. The Committee shall consider such factors as it deems pertinent in selecting participants and in determining the amount and terms of their respective Options.

4.2 For Options granted to Employees or Consultants, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee or Consultant, as the case may be.

4.3 On the Date of Grant of an Option, the Company shall disseminate a news release containing the information prescribed under the policies of the TSX-V. Notwithstanding this section 4.3, the Company need not disseminate a news release disclosing the grant of an Option on the condition that the Option is granted to an Employee or Consultant that is not a director or an Officer of the Company or performing Investor Relations Activities, except where the grant constitutes a “material fact” or a “material change” under applicable securities laws.

4.4 Any incentive stock options previously granted by the Company (the “**Pre-Plan Options**”) which remain outstanding as at October 26, 2022, will be deemed to have been issued under and will be governed by the terms of the Plan and, in the event of any inconsistency between the terms of the agreements governing the Pre-Plan Options and the terms of the Plan, the terms of such agreements shall govern. Any Shares issuable upon exercise of the Pre-Plan Options will be included for the purpose of calculating the amounts set out in sections 5 and 6 hereof.

4.5 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in exchange for outstanding options granted by the Company, any predecessor corporation of the Company, whether such outstanding options are granted under the Plan, under any other stock option plan of the Company, any such predecessor corporation, or under any stock option agreement with the Company, any such predecessor corporation.

4.6 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in substitution for outstanding options of another company in connection with a plan of arrangement or exchange, amalgamation, merger, consolidation, acquisition of property or shares, or other reorganization between or involving such other company and the Company.

#### 5. **Number of Shares Reserved under the Plan**

The maximum aggregate number of Shares issuable pursuant to the exercise of outstanding Options granted under or subject to the Plan, including Shares issuable upon exercise of the Pre-Plan Options, shall be 10% of the issued and outstanding Shares from time to time. Shares issuable under Options that have been cancelled or that have expired without being exercised continue to be issuable under the Plan.

#### 6. **Number of Optioned Shares per Optionee**

The determination regarding the number of Shares that may be the subject of Options granted to each Optionee pursuant to an Option will be made by the Committee and will take into consideration the Optionee’s present and potential contribution to the success of the Company and applicable legal and regulatory requirements and, if and for so long as the Shares are listed on the TSX-V, shall be subject to the following limitations:

- (a) Subject to sections 6(b) and 6(c), an Option may not be granted under the Plan if such Option, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in:
  - (i) the grant to Insiders (as a group), within a 12-month period, of an aggregate number of Options exceeding 10% of the issued and outstanding Shares (determined at the Date of Grant), unless the Company has obtained the requisite Disinterested Shareholder Approval pursuant to the applicable policies of the TSX-V;
  - (ii) the grant to Insiders (as a group) of an aggregate number of Options exceeding 10% of the issued and outstanding Shares at any point in time, unless the Company has obtained the requisite Disinterested Shareholder Approval pursuant to the applicable policies of the TSX-V; or
  - (iii) the aggregate number of Options granted to any one Optionee (and companies wholly owned by that Optionee) within a 12-month period exceeding 5% of the issued and outstanding Shares (determined at the Date of Grant), unless the Company has obtained the requisite Disinterested Shareholder Approval pursuant to the applicable policies of the TSX-V;
- (b) The aggregate number of Shares subject to Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Shares (determined at the Date of Grant);
- (c) The aggregate number of Shares subject to Options granted to all Investor Relations Service Providers in any 12-month period must not exceed 2% of the issued and outstanding Shares (determined at the Date of Grant); and
- (d) Subject to any longer vesting period as may be set out in the related Option Agreement or Option Certificate, an Option granted to an Investor Relations Service Provider shall vest in stages over 12 months with no more than 25% of the Shares subject to the Option vesting in any three-month period and, notwithstanding any other provisions contained herein, the vesting of such Option to an Investor Relations Service Provider may not be accelerated without the prior written approval of the TSX-V.

## 7. Price

- 7.1 The exercise price per Share subject to an Option shall be determined by the Committee at the time the Option is granted, provided that the exercise price shall not be less than the Discounted Market Price (as such term is defined in Policy 1.1 – *Interpretation* of the TSX-V Corporate Finance Manual) or such other minimum exercise price as may be required or permitted by the Exchange. A minimum exercise price cannot be established in respect of a particular Option unless such Option has been allocated to a particular Optionee.
- 7.2 Subject to applicable regulatory requirements and approval, the Committee may reprice the prevailing exercise price of an Option. Any reduction in the exercise price of an Option held by an Optionee who is an Insider at the time of the proposed amendment is, however, subject to Disinterested Shareholder Approval if and as may be required by the Exchange.

## 8. Term and Exercise of Options

- 8.1 The Option Period shall be determined by the Committee at the time the Option is granted and may be up to five years from the Date of Grant, except as the same may be reduced pursuant to the provisions of section 10. Subject to the applicable maximum Option Period provided for in this section 8.1 and subject to applicable regulatory requirements and approvals, the Committee may extend the Option Period for an Option, provided

that any extension to the Option Period of an Option held by an Optionee who is an Insider at the time of the proposed amendment is subject to Disinterested Shareholder Approval if and as may be required by the Exchange.

8.2 The vesting schedule for each Option (subject to section 6(d) and the applicable policies of the Exchange) shall be determined by the Committee at the time the Option is granted and shall be specified in the Option Agreement or Option Certificate in respect of the Option.

8.3 Notwithstanding the foregoing provision of this section 8:

(a) if there is a takeover bid or tender offer (the “Offer”) made for all or any of the issued and outstanding Shares, then the Committee may, by resolution, permit all Options outstanding to become immediately exercisable in order to permit the Shares issuable under such Options to be tendered to the Offer. Any such exercise of the Option shall be deemed to occur immediately before the later of the completion of the Offer and the payment of Shares taken up by the offeror under the Offer. For greater certainty, however, if, for any reason:

(i) the Offer is not completed within the time specified therein, or

(ii) all of the Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Shares received upon such exercise or, in the case of section 8.3(a)(ii), the Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and, with respect to such returned Shares, the Option will be reinstated as if it had not been exercised and the terms upon which such Shares were to become vested pursuant to this section will be reinstated. If any Shares are returned to the Company under this section 8.3, the Company will immediately refund the exercise price to the Optionee for such Shares; and

(b) if an Offer is made by an offeror at any time when an Option granted under the Plan remains unexercised, in whole or in part, the Committee may, by resolution and upon notifying each Optionee of full particulars of the Offer, declare all Shares issuable upon the exercise of Options granted under the Plan to be vested and declare that the expiry date for the exercise of all unexercised Options granted under the Plan be accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer,

provided, however, that, if the Shares are listed on the TSX-V at the time of an Offer, any acceleration pursuant to this section 8.3 of the vesting of Options granted under the Plan to an Investor Relations Service Provider is subject to prior approval of the TSX-V.

8.4 Unless otherwise provided for at the time a grant is made pursuant to the Plan, where a Change of Control occurs, the Committee may, at its discretion, (subject to section 6(d) and the applicable policies of the Exchange), cause any and all outstanding Options issued to Optionees to automatically vest, whereupon such Options may be exercised in whole or in part by any such Optionee.

8.5 The vested portion of Options will be exercisable, either all or in part, at any time after vesting. If less than all of the Shares included in the vested portion of any Option are purchased, the remainder may be purchased, subject to the Option’s terms, at any subsequent time prior to the expiration of the Option Period.

8.6 Subject to the provisions of the Plan and the terms of any Option Agreement or Option Certificate, as applicable, an Option or a portion thereof may be exercised, from time to time, by delivery of the Exercise Notice to the Company’s principal office in Vancouver, British Columbia. The Exercise Notice shall state

the intention of the Optionee or the Optionee's legal personal representative to exercise the said Option or a portion thereof and specify the number of Shares in respect of which the Option is then being exercised, and shall be accompanied by the full purchase price of the Shares which are the subject of the exercise in cash by way of certified cheque or bank draft (or, alternatively, indicating that the Optionee is exercising such Option on a cashless basis or net exercise basis, as applicable). Such Exercise Notice shall contain the Optionee's undertaking to comply, to the satisfaction of the Company, with all applicable requirements of the Exchange and any applicable regulatory authorities.

8.7 Subject to the other terms and conditions applicable to any Option granted under the Plan, an Optionee shall be permitted to elect to exercise any Option granted under the Plan on a "cashless basis" or "net exercise basis" as follows:

- (a) "*cashless basis*" - a cashless exercise occurs when the Company has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to an Optionee to purchase the Shares underlying the Options and then the brokerage firm sells a sufficient number of Shares underlying the Options to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Shares underlying the Options from the exercise of the Options and the Optionee then receives the balance of the Shares or the cash proceeds from the balance of such Shares underlying the Options; and
- (b) "*net exercise basis*" - under a net exercise the Options, excluding Options held by an Investor Relations Service Provider, are exercised without the Optionee making any cash payment so the Company does not receive any cash from the exercise of the subject Options, and instead the Optionee receives only the number of Shares underlying the Options equal to the number which results when dividing: (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the exercise price of the subject Options by (ii) the VWAP of each underlying Share.

8.8 No Optionee or the legal representatives, legatees or distributees of the Optionee will be, or will be deemed to be, a holder of any Shares subject to an Option under the Plan unless and until certificates or other instruments for such Shares are issued to the Optionee or such other persons under the terms of the Plan.

8.9 If the end of the Option Period (or any earlier expiry date pursuant to section 10) for any Option occurs during a period in which the trading of the Shares is restricted by the policies of the Company or is otherwise restricted by a trading blackout period formally imposed by the Company (each a "**Blackout Period**"), then the last day of the Option Period (or exercise period) for the Option shall be automatically extended to that date which is 10 Business Days following the end of such Blackout Period (the "**Extension Period**"); provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period so that the last day of the Option Period (or exercise period) for the Option shall be automatically further extended to that date which is 10 Business Days following the end of the last Blackout Period.

## 9. **Option Agreement or Option Certificate**

Upon the grant of an Option to an Optionee, the Company and the Optionee shall enter into an Option Agreement setting out the number of Shares subject to the Option, the exercise price per Share, the Option Period, and the vesting schedule for the Option (if any), and incorporating the terms and conditions of the Plan, any other requirements of applicable regulatory authorities, and such other terms and conditions as the Committee may determine are necessary or appropriate, subject to the terms of the Plan. Alternatively, upon the grant of an Option to an Optionee, the Company shall issue and deliver to the Optionee an Option Certificate (in lieu of an Option Agreement) which shall include the number of Shares subject to the Option, the exercise price per Share, the Option Period, and the vesting schedule for the Option (if any) and shall have attached thereto a copy of the Plan.

## 10. **Effect of Termination of Employment or Death**

- 10.1 Options granted under the Plan shall expire on the earlier of: (a) that date which is 90 days after the Optionee last ceases to be an Employee, Director, Officer or Consultant of the Company or a subsidiary of the Company unless an earlier date is provided for in the Option Agreement or Option Certificate with respect to the Optionee's Option; and (b) the expiry of the Option Period. The Committee may, in its sole discretion, extend the "90 days" referred to in clause (a) to a period not exceeding one year.
- 10.2 Notwithstanding section 10.1, in the event of the death of an Optionee while in service to the Company or a subsidiary of the Company, each outstanding Option held by the Optionee (to the extent then vested and not exercised) shall be exercisable until the earlier of: (a) the expiration of one year following such death unless an earlier date is provided for in the Option Agreement or Option Certificate with respect to the Optionee's Option; and (b) the expiry of the Option Period of the Option, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or by the laws of descent and distribution.
- 10.3 Notwithstanding the foregoing provisions of this section 10 and subject to any applicable regulatory approvals, the Committee may, in its discretion, provide for the extension of the exercisability of an Option for any period that is not beyond the applicable expiry date of the Option, accelerate the vesting or exercisability of an Option (subject to section 6(d) and the applicable policies of the Exchange), eliminate or make less restrictive any restrictions governing an Option, waive any restriction or other provision of this Plan or an Option or otherwise amend or modify the Option in any manner that is either: (a) not adverse to such Optionee; or (b) consented to by such Optionee.

## 11. **Adjustment in Shares Subject to the Plan**

- 11.1 The exercise price for and the number of Shares covered by an Option will be adjusted, with respect to the then unexercised portion of the Option, by the Committee from time to time (on the basis of such advice as the Committee considers appropriate, including, if considered appropriate by the Committee, a certificate of the auditor of the Company) in the event and in accordance with the provisions and rules set out in this section 11. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Committee, and any such determination will be binding on the Company, the Optionee and all other affected parties.
- (a) If a dividend is declared upon the Shares, payable in Shares (other than in lieu of dividends paid in the ordinary course), the number of Shares then subject to any Option shall be adjusted (subject to TSX-V acceptance pursuant to section 11.5) by adding to each such Share the number of Shares which would be distributable thereon if such Share had been outstanding on the date fixed for determining shareholders entitled to receive such stock dividend.
- (b) If the outstanding Shares are changed into or exchanged for a different number or kind of Shares or other securities of the Company or of another corporation, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then there shall be substituted for each Share subject to any Option the number and kind of Shares or other securities of the Company or another corporation into which each outstanding Share shall be so changed or for which each such Share shall be exchanged.
- (c) If there is any change, other than as specified above in this section 11, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, then, if the Committee, in its sole discretion, determines that such change equitably requires an adjustment to be made in the number or kind of Shares then subject to any Option, an equitable adjustment shall be made in the number or kind of Shares, such adjustment shall be made by the Committee and be effective and binding for all purposes.
- (d) If the Company distributes by way of a dividend, or otherwise, to all or substantially all holders of Shares, property, evidences of indebtedness or shares or other securities of the Company (other than

Shares) or rights, options or warrants to acquire Shares or securities convertible into or exchangeable for Shares or other securities or property of the Company, other than as a dividend in the ordinary course, then, if the Committee, in its sole discretion, determines that such action equitably requires an adjustment in the exercise price of the Option or number of Shares subject to any Option, or both, such adjustment (subject to TSX-V acceptance pursuant to section 11.5) shall be made by the Committee and shall be effective and binding for all purposes.

- (e) Sections 11.1(a) and 11.1(d) shall be subject to the limitations set out in section 6. Should the Company not have sufficient Shares available under the Plan to adjust the number of Shares subject to any Option pursuant to section 11.1(a) or section 11.1(d), or the adjustment to the number of Shares subject to any Option pursuant to section 11.1(a) or section 11.1(d) will result in any breach of the limitations set out in section 6, the Company must satisfy its obligations under section 11.1(a) or section 11.1(d) in cash on the same terms in the same manner as the dividend on the Shares which gave rise to the adjustment to the number of Shares subject to any Option.
- 11.2 In the case of any such substitution or adjustment as provided for in this section 11, the exercise price in respect of each Option for each Share covered thereby prior to such substitution or adjustment will be proportionately and appropriately varied, such variation shall generally require that the number of Shares or securities covered by the Option after the relevant event multiplied by the varied option exercise price be equal to the number of Shares covered by the Option prior to the relevant event multiplied by the original exercise price of the Option.
- 11.3 No adjustment or substitution provided for in this section 11 shall require the Company to issue a fractional share in respect of any Option. Fractional shares shall be eliminated.
- 11.4 The grant of an Option shall not affect in any way the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.
- 11.5 Any adjustment, other than in connection with a Share subdivision or consolidation, to Options issued under the Plan is subject to the prior acceptance of the TSX-V, including any adjustment related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

## 12. **Non-Assignability**

All Options, benefits and rights accruing to any Optionee in accordance with the terms and conditions of the Plan are non-assignable and non-transferable, except as specifically provided in section 10.2 in the event of the death of the Optionee. During the lifetime of the Optionee, all such Options, benefits and rights may only be exercised by the Optionee.

## 13. **Employment**

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with, or the provision of services to, the Company or any subsidiary of the Company, or interfere in any way with the right of the Company or any subsidiary of the Company to terminate the Optionee's employment or services at any time. Participation in the Plan by an Optionee is voluntary.

#### 14. **Record Keeping**

The Company shall maintain a register in which shall be recorded or maintained:

- (a) the name and address of each Optionee;
- (b) the number of Shares subject to Options granted to each Optionee, the number of Shares issued to each Optionee upon the exercise of Options, and the number of Shares subject to Options remaining outstanding;
- (c) a copy of each outstanding Option Agreement or Option Certificate; and
- (d) such other information as the Committee may determine.

#### 15. **Regulatory Approvals**

- 15.1 The Plan is subject to the approval of regulatory authorities having, or which may have, jurisdiction over the securities of the Company, and the Board is authorized to amend the text thereof from time to time in order to comply with any changes thereto required by such applicable regulatory authorities.
- 15.2 The obligation of the Company to issue and deliver Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction or any stock exchange or stock quotation system on which the Shares are listed for trading or quoted which may be required in connection with the authorization, issuance or sale of such Shares by the Company. If any Shares cannot be issued to any Optionee for any reason including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any exercise price for an Option paid to the Company shall be returned to the Optionee.

#### 16. **Hold Periods, Securities Regulation and Tax Withholding**

- 16.1 If and for so long as the Shares are listed on the TSX-V and in addition to any resale restrictions under applicable securities laws, for Options: (a) having an exercise price per Share that is less than the Market Price; or (b) granted to an Optionee who is a Director, Officer or Significant Shareholder of the Company, any Shares issued on the exercise of such Options will be subject to a four-month hold period commencing on the particular Date of Grant of the Option, and certificates or other instruments for the Shares will bear a restrictive legend setting out any such applicable hold period.
- 16.2 Where necessary to effect exemption from registration or distribution of the Shares under securities laws applicable to the securities of the Company, an Optionee shall be required, upon the acquisition of any Shares upon the exercise of Options, to acquire such Shares with investment intent (i.e. for investment purposes) and not with a view to their distribution, and to present to the Committee an undertaking to that effect in a form acceptable to the Committee. The Committee may cause a legend or legends to be placed upon any certificates or other instruments for the Shares to make appropriate reference to applicable resale restrictions. The Committee may take such other action or require such other action or agreement by such Optionee as may from time to time be necessary to comply with applicable securities laws. This provision shall in no way obligate the Company to undertake the registration or qualification of any Options or the underlying Shares under any securities laws applicable to the securities of the Company.
- 16.3 Subject to the rules of the TSX-V, the Committee and the Company may take all such measures as they deem appropriate to ensure that the Company's obligations under the withholding provisions under income tax laws applicable to the Company and other provisions of applicable laws are satisfied with respect to the issuance of Shares pursuant to the Plan or the grant or exercise of Options under the Plan.

16.4 Issuance, transfer or delivery of certificates or other instruments for Shares purchased pursuant to the Plan may be delayed, at the discretion of the Committee, until the Committee is satisfied that the applicable requirements of securities and income tax laws have been met.

**17. Amendment and Termination of Plan**

17.1 The Board may, from time to time, without notice or approval of the Optionees or of the shareholders of the Company, amend, modify, change, suspend or terminate the Plan or any Options granted pursuant to the Plan as it, in its discretion, determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the Plan or any Options granted hereunder may adversely affect any outstanding Options granted under the Plan without the consent of the Optionee. Without limiting the generality of the foregoing, the Board may make the following types of amendments to the Plan without shareholder approval: (a) any amendment of a “housekeeping” nature including, but not limited to, amendments of a clerical, grammatical or typographical nature; and (b) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

17.2 Any amendment to the Plan shall also be subject to any necessary approvals of any stock exchange or regulatory body having jurisdiction over the securities of the Company and, where applicable, the approval of the shareholders of the Company (except where an amendment is made pursuant to section 15.1 or the foregoing section 17.1).

17.3 Notwithstanding anything in this section 17, if and for so long as the Shares are listed on the TSX-V, amendments to any of the following provisions of the Plan will be subject to shareholder approval (or Disinterested Shareholder Approval if required by the TSX-V):

- (a) persons eligible to be granted Options under the Plan;
- (b) the percentage of Shares that may be reserved under the Plan for issuance pursuant to the exercise of stock options;
- (c) the limitations under the Plan on the number of Options that may be granted to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of Options;
- (e) a reduction in the exercise price of an Option, other than for standard anti-dilution purposes;
- (f) the maximum term of Options;
- (g) the expiry and termination provisions applicable to Options;
- (h) any amendment that may modify or delete any of this section 17; and
- (i) any other amendments that may lead to significant or unreasonable dilution in the Company’s outstanding securities or may provide additional benefits to Optionees, especially Insiders, at the expense of the Company and its existing shareholders.

17.4 Subject to this Section 17 and the rules of the TSX-V, the exercise price of an Option may be amended only if at least 6 months have elapsed since the later of the date of commencement of the term of the Option, the date the Shares commenced trading on the TSX-V, and the date of the last amendment of the exercise price.

17.5 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in Section 8.1.

## 18. **No Representation or Warranty**

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

## 19. **General Provisions**

- 19.1 Nothing contained in the Plan shall prevent the Company or any subsidiary of the Company from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the issuance of securities of the Company (subject to shareholder approval if such approval is required by applicable securities regulatory authorities) and such arrangements may be either generally applicable or applicable only in specific cases.
- 19.2 The validity, construction and effect of the Plan and any rules and regulations relating to the Plan and any Option Agreement or Option Certificate, and all determinations made and actions taken pursuant hereto shall be governed by and determined in accordance with the laws of the Province of British Columbia, Canada.
- 19.3 If any provision of the Plan or any Option is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any person or Option, or would disqualify the Plan or any Option under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws or, if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, person or Option and the remainder of the Plan and any such Option shall remain in full force and effect.
- 19.4 Neither the Plan nor any Option shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any subsidiary of the Company and an Optionee or any other person.
- 19.5 Headings are given to the sections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

## 20. **Effectiveness of the Plan**

The Plan shall be effective as of October 26, 2022, subject to its approval by the shareholders of the Company at the next general meeting of shareholders of the Company held after that date and subject to all necessary regulatory approvals pursuant to section 15 hereof. If and for so long as the Shares are listed on the TSX-V, the continued effectiveness of the Plan is subject to annual approval of the Plan by the shareholders of the Company at each subsequent annual general meeting of the Company and annual approval of the Plan by the TSX-V as soon as practicable following such shareholder approval.